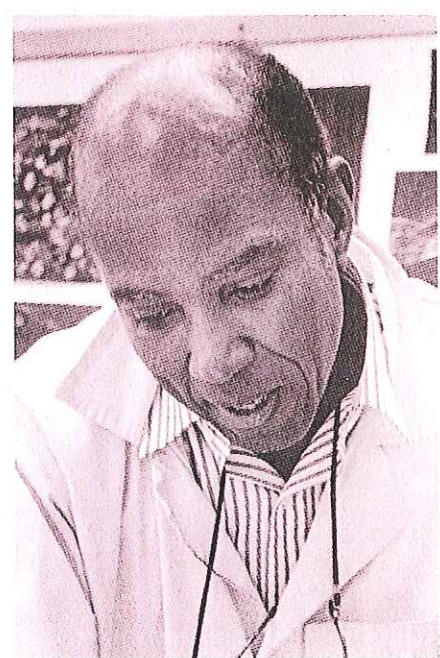
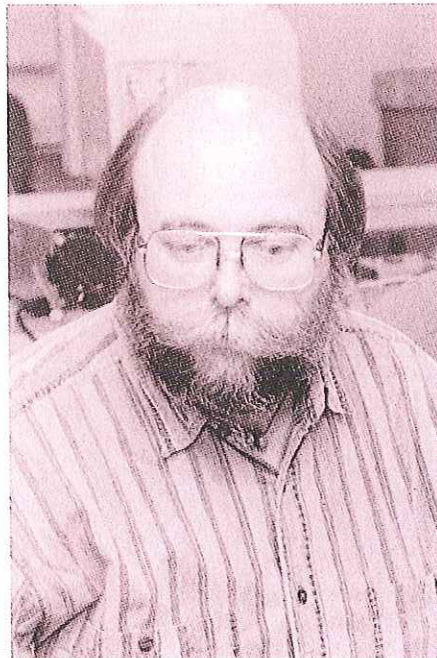
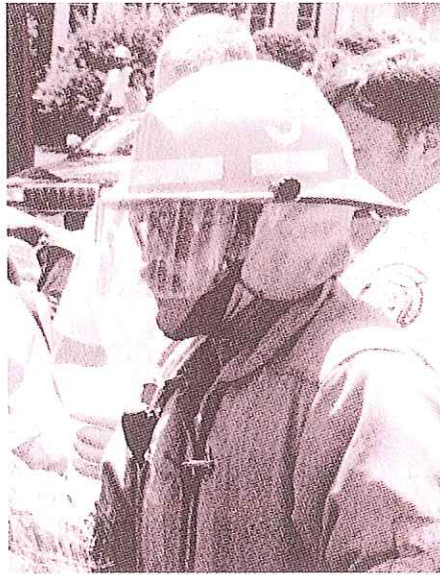


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1992 Comprehensive Annual Financial Report

# Wisconsin Department of EMPLOYEE TRUST FUNDS



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Wisconsin Department of  
**EMPLOYEE TRUST FUNDS**

1992 Comprehensive  
Annual Financial Report

1992 audited financial data

1992 program data, legislation  
and accomplishments

Wisconsin Department of Employee Trust Funds  
201 East Washington Avenue, Madison WI 53702  
ET-8501 (Rev. 12/94)

*The Department of Employee Trust Funds does not discriminate on the basis of disability in the provision of programs, services or employment. If you are speech, hearing or visually impaired and need assistance in using this publication, call (608) 266-3285. We will try to find another way to get the material to you in a usable form.*

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STATE OF WISCONSIN

## Department of Employee Trust Funds

Eric Stanchfield  
Secretary

201 East Washington Avenue  
P. O. Box 7931  
Madison, Wisconsin 53707

November, 1994

In Reply Refer To:

Governor Tommy Thompson,  
Members of the State Legislature,  
Public Employers, and other Interested Parties:

This 1992 Comprehensive Annual Financial Report of the Wisconsin Department of Employee Trust Funds (ETF), provides the audited financial data and highlights of the 1992 program year.

ETF manages retirement and benefit programs for a wide variety of state, municipal, school district and other local employers. The Introduction to this report offers significant information on the growth of the retirement system in particular, and the scope of the health, life, income continuation and other benefit programs ETF offers to employees of the State of Wisconsin and to local governments who participate. You may be particularly interested in the map of the state which shows the geographical distribution of Wisconsin Retirement System (WRS) retirees living within the state. ETF distributed \$825 million in annuity payments to retirees in 1992, and we expect to top \$1 billion in 1995.

Expanded graphics in the Introductory Section will give you a thumbnail sketch of program data. Other sections provide basic statistical information over a 10-year reporting period and the requisite actuarial report. For the state's "Annual Report" requirements, we provide information on ETF's accomplishments and legislation passed affecting our programs. This material continues from the last Annual Report of the agency, and provides an ongoing record of program and financial data.

Your comments would be appreciated and can be directed to me at (608) 266-0407 or to Sandy Drew, our Director of Legislation and Planning at (608) 267-2929.

Sincerely,

Eric O. Stanchfield  
Secretary

## *Wisconsin At Work*

The Department of Employee Trust Funds supports people. We represent public employes and employers through our retirement and benefit programs. **Wisconsin At Work** is a collection of photos of public employes throughout the state. Some are featured here, others in our offices. We thank the following organizations and individuals for providing photographs: University of Wisconsin campuses at Green Bay, Oshkosh, Madison, Marinette, Stout (Menomonie), Superior, Waukesha and the UW-Extension; the Wisconsin Education Association Council and public schools in Appleton, Fish Creek, Hartford, LaPointe, Milwaukee, Onalaska and Whitehall, the state departments of Administration; Health and Social Services; Industry, Labor and Human Relations; Natural Resources and Transportation; and the Professional Fire Fighters of Wisconsin.

Special thanks to Jeff Miller of the UW-Madison News and Information System, Jean Meyer of the Department of Natural Resources and Mark Zeier, president of the Professional Fire Fighters of Wisconsin.

Design and layout by James Gonzales, WISCOMP  
Stephen R. Tatarsky, ETF Editor

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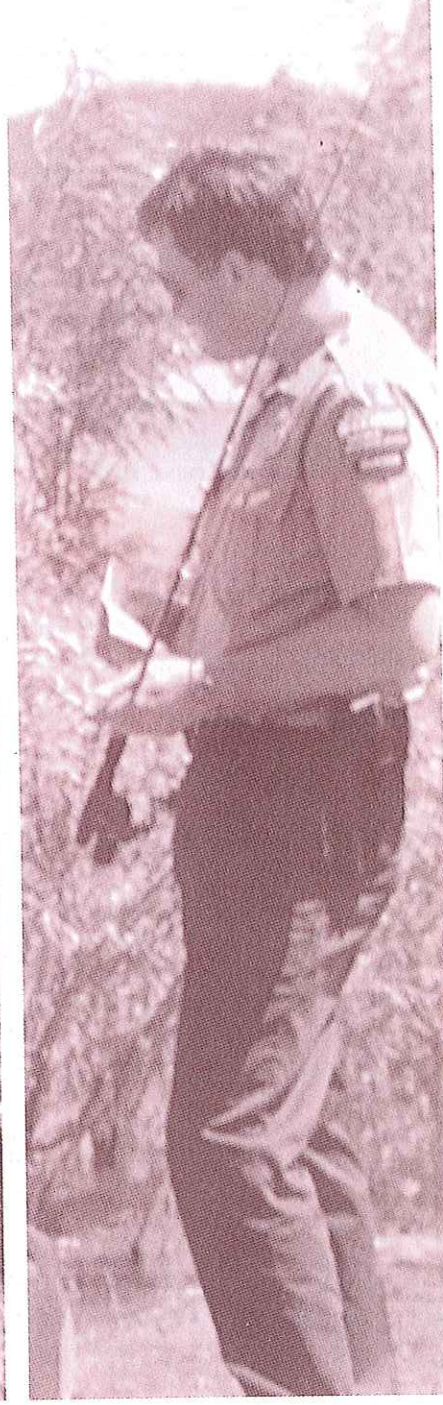
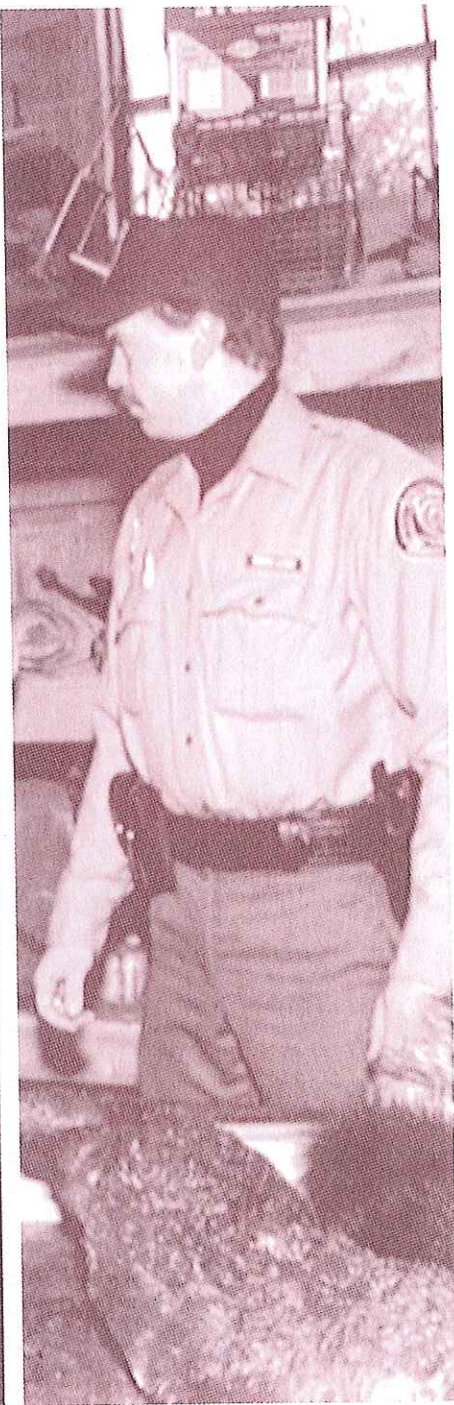
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# INTRODUCTION



*Wisconsin Department of Natural Resources—Law Enforcement*

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# Introduction

In 1992, the Wisconsin Department of Employee Trust Funds (ETF) continued to oversee a substantial growth in participation in its retirement and benefit programs, and took a number of administrative steps to strengthen services to participants and public employers.



*University of Wisconsin Center-Marquette*

The scope of ETF's programs has expanded considerably in the past five years. According to the Statistical Section of this report, total participation in the retirement/benefit system increased from 332,232 persons in 1988 to 380,337 in 1992, a 14.5% increase. This includes retirees, active employees and inactive employees who have left Wisconsin Retirement System (WRS)-covered employment but have not taken a benefit from their accounts.

The number of retirees in the system has increased at even a higher rate: 16.4%. There were 70,017 retirees in 1988 and 81,508 at the end of 1992. The increase was spurred in part by 1989-90 early retirement legislation. ETF continues to move closer to distributing \$1 billion a year to retirees in the form of annuity (pension) payments. The total topped \$825 million in 1992. The average annual annuity paid out in 1992 for all retirees was \$10,366. Annuities are a major source of livelihood for ETF's retirees, and for the Wisconsin economy.

The number of active employees covered by the WRS also continues to increase. Total covered employment among public workers increased 13.2% in the five years (199,413 to 225,761 workers). Among the 225,761 active employees in the system, the largest single section is public school district employees (82,365). All school districts are required to cover their teachers for retirement purposes.

To assure that these active workers will have future retirement benefits, public employers and the employees contributed more than \$850 million in 1992 to the retirement funds.

The number of public sector employers who participate in the WRS coming under the retirement system continues to increase, with the 1992 total reaching 1,174.

Health, life and income continuation insurance benefit programs continued to expand as more employees received coverage, as did the other two benefit programs administered by ETF: the Wisconsin Deferred Compensation (WDC) Program, and the Employee Reimbursement Accounts (ERA) Program. Among the accomplishments to improve services were:



*Milwaukee Public Schools*

- More than 20,500 retirement and benefit messages were accessed by callers to ETF's new telephone message system.
- On the administrative level, the agency accomplished a refocusing of its main information technology function, the Wisconsin Employe Benefits System. ETF created a user team approach to solving data access concerns and activated additional steps in conversion to automated data collection and processing — all designed to provide better service to participants and employers.

Wisconsin is one of the few states in the nation to have a merged retirement system in which the vast majority of public employes — state, university, municipal, school district, police and fire — are covered by the same system. The Milwaukee

city and county retirement systems are the major exceptions, having their own funds. Teachers in the Milwaukee Public School System are covered by the WRS.

The Department of Employee Trust Funds is unusual among public retirement agencies in the nation in that it also offers state and local employes a broad range of other fringe benefit plans such as life and health insurance, disability benefits, deferred compensation and medical and day care reimbursement accounts — in conjunction with retirement benefits. Public employers in other states offer such plans, but their administration usually is distributed among other agencies.

ETF's full range of administrative responsibility is illustrated by the following program highlights through 1992:



*Photo Courtesy of the Sheboygan News and the Professional Fire Fighters of Wisconsin*

*Sheboygan Fire Department*



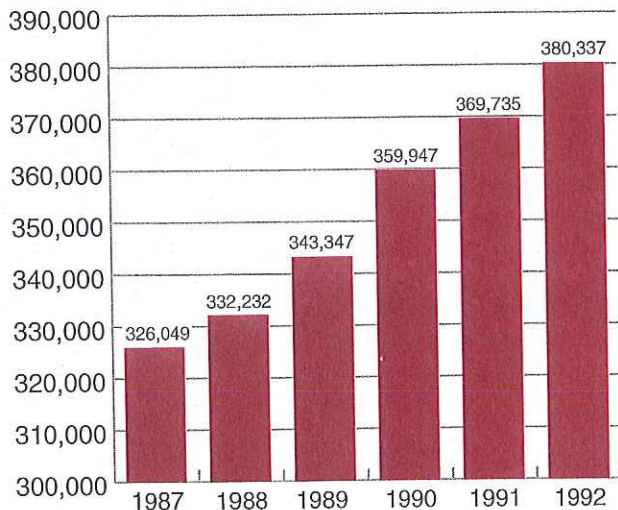
# Program Highlights

## Retirement:

Public employers and employees contributed \$841 million in 1992 to the WRS to support future benefits, an increase of about \$62 million from the previous year. The system's 1,153 public employers contributed \$503 million as the employer's required share of future benefits. The amount contributed directly by employees, or by employers on behalf of their workers, totaled \$338 million in 1992, an increase of 7.6% from 1991.

- The number of WRS participants totaled 380,337 at the end of 1992, up 2.9% over the previous year. Participants include 225,761 active government employees, an increase of 2.8% over the previous year; 81,508 retirees and others receiving annuities, and 73,068 "inactives," or former public employees who had not yet taken a benefit from their retirement accounts.

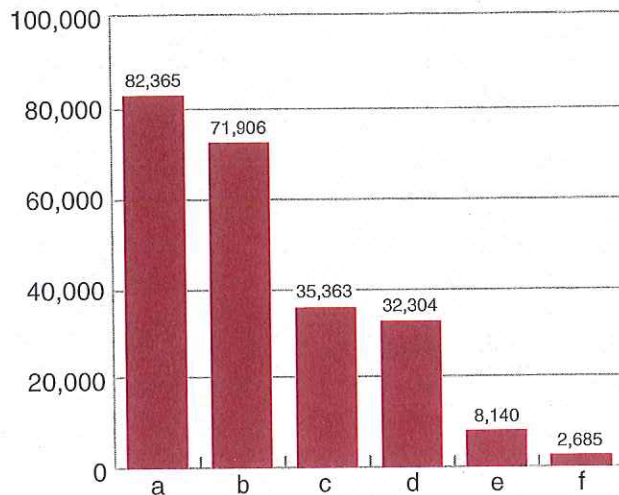
### 1987-1992 WRS Participation



- The number of active participants in the WRS continues to increase at a slow rate, with declines in the number of active public school employees balanced by modest increases in state and university employment. Of the 225,761 active employees covered by the WRS at the end

of 1992, about 32% are state employees, including the university system, and 68% are local employees. Participation, by type of employment was:

### Active Participants by Employee Type, 12/31/92



- a - Local School Districts
- b - State Government
- c - County Government
- d - Cities, Villages and Towns
- e - Vocational Districts
- f - Special Districts\*

\* Housing Authorities, Sewerage Districts, Regional Planning Commissions, etc.

- One of the most important functions of the Department of Employee Trust Funds is to provide retirees with their monthly annuity checks. Given that so many people depend on these checks for their livelihood, this is a major ETF priority. The vast majority of WRS retirees still live in Wisconsin, so these payments are a major part of the state's economy.

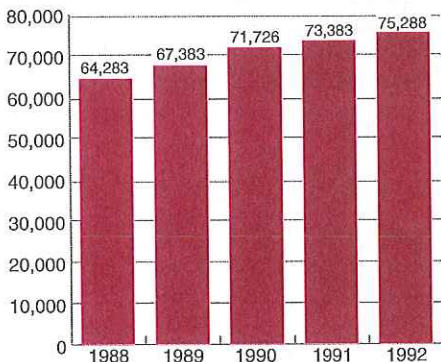
In 1992, ETF distributed \$828.5 million to people who were retired, disabled or survivors of WRS participants. The total of annuity payments was \$76.9 million (10.2%) over 1991's audited \$751.6 million total. ETF also provides separation payments to employees leaving public service prior to retirement. The 1992 **separation benefits** totaled \$25.7 million, down \$1.8 million from the previous year. Separation benefits are paid participants who leave public employment and decide to withdraw the employe portion of their retirement account prior to retirement age.

- The number of persons receiving retirement, disability and beneficiary annuities at the end of 1992 was 81,508, an increase of only 2,043 (2.6%) over 1991. The charts below show the three types of annuities and how they increased, in total, over the past five years from 70,017 at the end of 1988, to 81,508 at the end of 1992. "Disability" means persons who had to retire because of injury or illness and were eligible for a monthly annuity. "Beneficiary" means a person selected by a WRS participant to receive benefits payable upon the death of the participant.

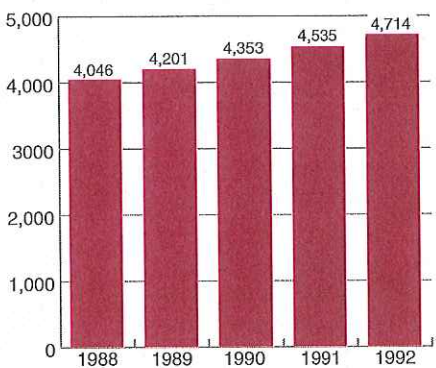


UIW-Madison Law Enforcement

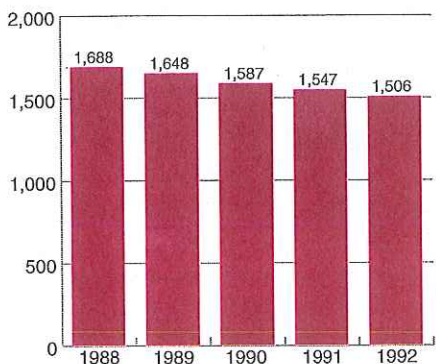
#### 1988-1992 Annuities Paid-Retirement



#### 1988-1992 Annuities Paid-Disability

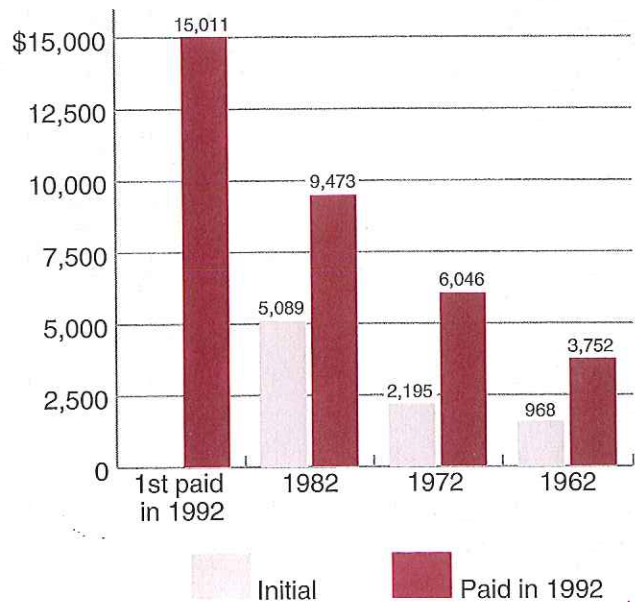


#### 1988-1992 Annuities Paid-Beneficiary



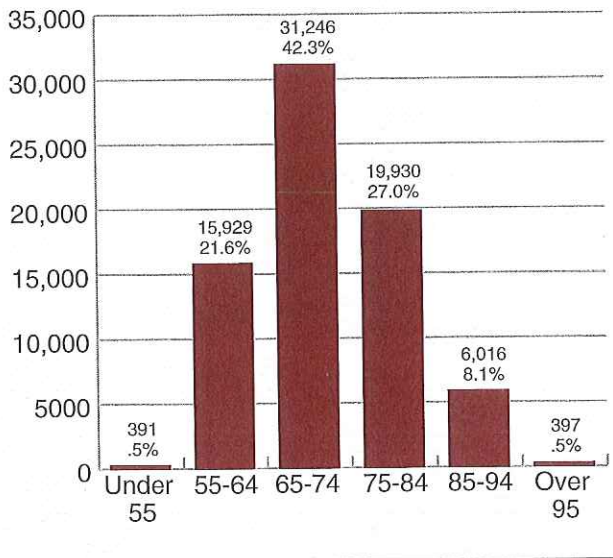
- The average annual annuity received by all WRS retirees in 1992 was \$10,366, up \$904 (9.6%) from the previous year. Some individuals have more than one annuity, so the total number of annuities is higher than the number of people provided annuities by ETF each year.
- For those who retired in 1992, the average annual annuity was \$15,011. The chart below shows the average annuity received in 1992 by persons who retired 10, 20 and 30 years ago.

#### Growth in Average Annual Retirement Benefit (Initial Amount and \$ Value by 1992)



- Another important characteristic is the ages of those who are retired. The chart below shows the distribution of ages for all those receiving retirement benefits from the system at the end of 1992. There are a small number of people under the age of 55 who are retired, only 391. At the other end of the age scale, Wisconsin retirees live to a ripe age; there are 1,931 individuals over the age of 90 (163 more than the previous year) still drawing their monthly benefit.

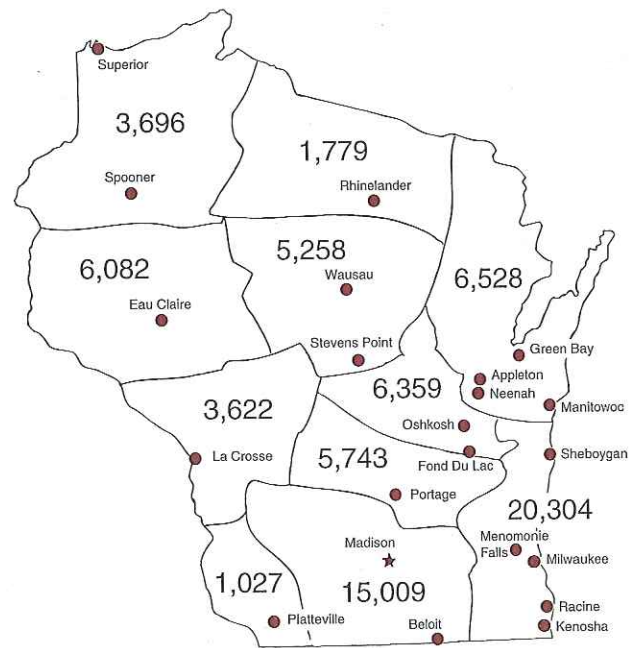
**Age Distribution - All Retirees**  
(through 12/31/92)



UW-Trout Lake Station

- Nearly 90% of WRS retirees still reside in Wisconsin. The map below, based on Post Office ZIP Code boundaries, shows the regional breakdown of residency within the state. (The 1989 Annual Report showed place of residence throughout the nation and in foreign countries.) The latest residency study was of 83,737 retirees in 1993, 75,407 of whom lived within the state. The proportion still living in the state increased from 88.2% in the 1989 study to 90.0% in this report. The Madison-Portage-Platteville area — which includes the large concentration of state and university employees

**Wisconsin Retirees**  
Living in Wisconsin = 75,407



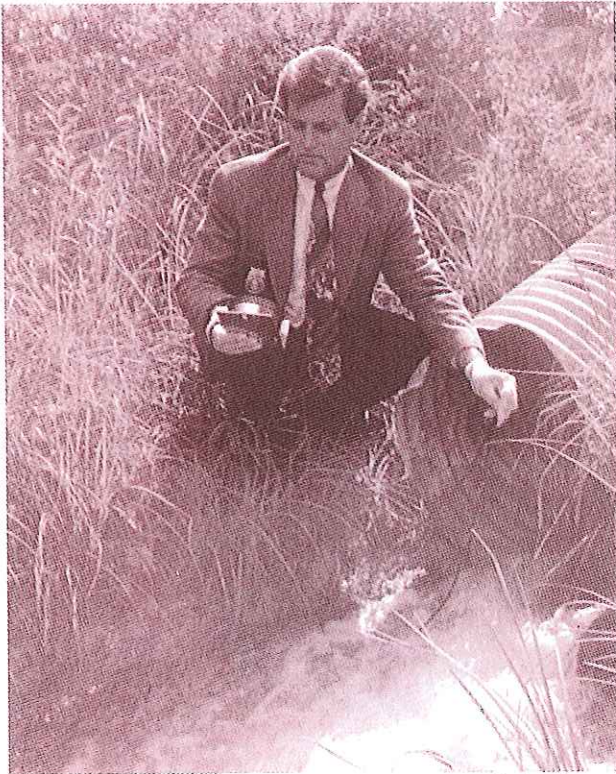
in Madison — when combined, accounts for 28.9% of retiree residency. It is significant that 55.8% of retirees live in the combined Madison-Portage-Platteville and Milwaukee-Sheboygan-Racine-Kenosha regions.

## Benefits:

- **GROUP HEALTH INSURANCE** covered about 58,800 active and 13,900 retired state employees at the end of 1992; more than 175,000 persons when all their covered dependents are counted. The total amount of annual health insurance premiums paid by the state and the participants was \$275 million. In the local Wisconsin Public Employers Group Health Insurance program there were another 6,300 active and 940 retired local government participants. With their dependents, the total number of people covered was about 17,300. Annual premium was \$25 million. At the end of 1992, there were 112 local employers participating in this group health program. An additional program provided group health coverage to 300 retirees from local governments in the Local Annuitant Health Plan.

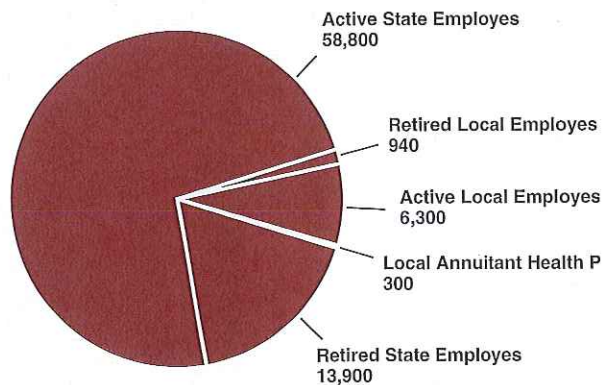


Wisconsin Department of Health and Social Services



Wisconsin Department of Natural Resources-Water Pollution Control

### Group Health Insurance, Employees Covered All Plans 12/31/92

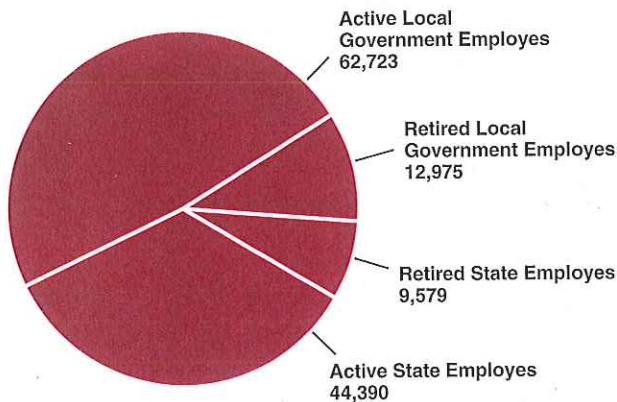


- THE BASIC GROUP LIFE INSURANCE** plan covered 129,667 individuals at the end of 1992, a 3.4% increase in coverage over the previous year. Basic life insurance covered 44,390 active state employees and 62,723 active local employees working for 475 local employers who chose to participate. In addition, 9,579 retired state and 12,975 local employees participate in the basic life plan. Many of these employees also have life insurance under supplemental, additional and spouse and dependent plans. At the end of the year, there was \$5.7 billion worth of life insurance in force for all participants in all plans.



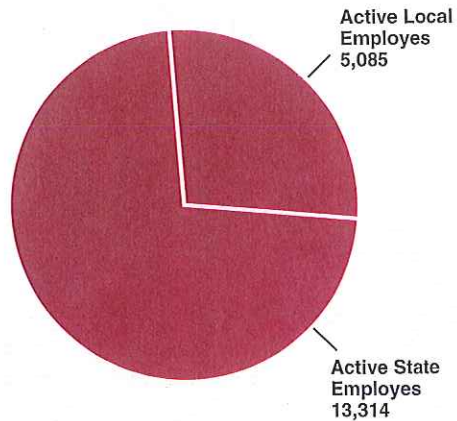
Hartford Public Schools

**Group Life Insurance, Employees Covered  
All Plans 12/31/92**



- THE WISCONSIN DEFERRED COMPENSATION (WDC) PROGRAM** had a participation increase of 16.5% during 1992. There were 13,314 state employees and 5,085 local employees who set aside a portion of their earnings on a tax-deferred basis at the end of the year. Twenty-four additional local employers came into the program in 1992, bringing the total to 304 local participating employers. Altogether participants deferred \$35.2 million of their 1992 earnings, up \$4.9 million from the previous year. WDC assets totaled \$268.4 million at the end of 1992, a 12.2% increase over last

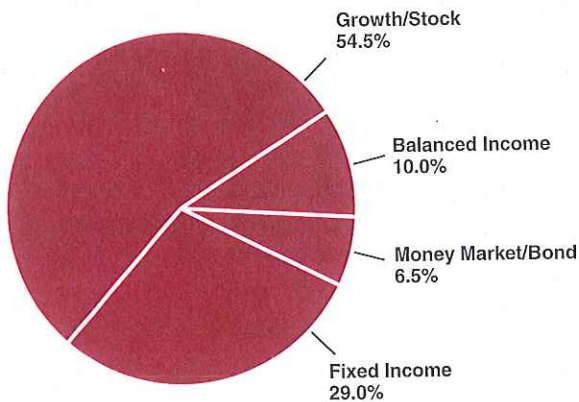
**Deferred Compensation  
Total Participation 12/31/92**



Wisconsin Department of Administration-Mail

year's assets. The program allows employees to defer part of their compensation and have the amounts invested in choices which include two fixed income options and eight mutual funds with varying degree of investment risk. Participants may defer earnings to as many investment options as they choose.

**Deferred Compensation  
By Investment Type 12/31/92**

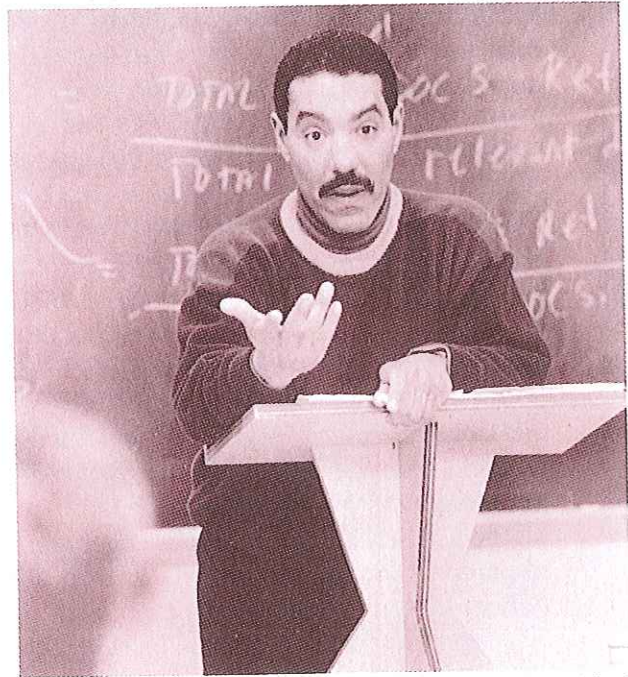


• **THE EMPLOYEE REIMBURSEMENT ACCOUNTS (ERA) PROGRAM**

At the end of 1992 ERA had 4,911 participants, an increase of 13.5% over 1991 participation. Employees created 1,350 dependent care accounts and 4,270 medical expense accounts. ERA allows state employees to establish pre-tax reimbursement accounts for medical care expenses not covered by insurance and for dependent child or adult care expenses. Total salary reductions were \$7.4 million (\$4.4 million for dependent care

and \$3.0 million for medical), an increase of 17.3% over 1991 reductions of \$6.3 million. Reductions in FICA tax from this program saved the state an estimated \$1.6 million in 1992, with combined FICA and income tax savings of \$5.9 million realized by participants.

- **INCOME CONTINUATION INSURANCE** was provided to 46,800 state employees and 2,800 local government employees as a supplemental benefit to cover income in case of short-term disability. State government and 47 local governments participate in the ETF program through a contract insurance company.



UW-Madison Library School

## Employers

At the end of 1992 there were 1,174 employers in the Wisconsin Retirement System. This includes state agencies and the university system (63 employers) and 1,090 local government employers, an increase of 18 new local employers for 1992. See list of employers in the last section of this report.

Added to the WRS for 1992 were the villages of Clinton, Dane, Grantsburg, Iola, Orfordville, Pound, Stratford and Union Grove; the towns of Ellington, Grand Rapids, Holland, Rome and Sanborn; sanitary districts serving Allenton, the town of Hallie and Waverly; and the Mid-Wisconsin Federated Library System and the Oregon Emergency Medical Service District. Five school districts already covering their teachers under the WRS added their non-teacher employees during the year. They were the Hillsboro, Ithaca, Pepin, Salem #7 and Washington school districts. All changes added 170 new employees to the WRS.

State law **mandates** WRS coverage for all eligible employees of the State of Wisconsin including the university system, all counties except Milwaukee, all public and vocational school teachers, city police officers and municipal firefighters except Milwaukee, and non-teaching employees of a new school district under special circumstances involving merger or consolidation of school districts. Also having mandated coverage, if required by law prior to March 31, 1978, are police officers in villages with more than 5,000 residents and firefighters in villages with more than 5,500 residents.

Most Wisconsin cities, most school districts and many villages have elected, however, to cover all their workers, not just mandated police, fire and teacher employees.

Sources for the number of governments listed below are the latest Wisconsin Blue Book, published by the Legislative Reference Bureau, and the League of Wisconsin Municipalities.

- At the end of the year 152 cities covered all their employees and 35 covered their police and fire employees under the WRS.

Milwaukee is not included because it has had a separate retirement/benefit system for many years. (The list of employers includes the old Town of Lake which was annexed into the city of Milwaukee many years ago.)

- All 71 counties, outside of Milwaukee County, participate.
  - Of 395 villages in Wisconsin, 141 cover either all their municipal employees or their police and fire employees. Eight villages came under the WRS in 1992.
  - Of the 1,265 town governments in the state, only 116 cover their employees through the WRS, but most of the larger, more urbanized townships in Wisconsin do provide coverage. Small townships may not have any full-time employees. Five towns were added in 1992.
  - All 450 school districts and 12 Cooperative Educational Service Agencies (regional units that provide some joint services) cover their teachers/administrators, and a large number also cover their office, cafeteria, maintenance and other employees under WRS.
  - All 16 VTAE districts cover their teachers and most cover their other employees.
  - There are 118 special districts and units of government in Wisconsin which are counted as separate employers and cover their employees. Included, among others, are city and county housing authorities, sewerage and sanitary districts, library and health districts and regional planning commissions. The exact number of all such districts in Wisconsin is not available. Five were added in 1992.
- Although the exact total of all public employees in Wisconsin is difficult to determine because of differences between "full time equivalent" positions and part-time employment, it is estimated that approximately 90% of all state and local public employees are participants in the Wisconsin Retirement System.

# Financial Statements for this Report

The Financial Section contains the 1992 audited financial data from the Legislative Audit Bureau, the latest available. For

complete information please refer to the Financial Statements Section and the Statistical Section.

## ETF Boards and Agency Organization

### **Detailed Board Functions and Members:**

There were 38 individual Wisconsin citizens appointed or elected to one or more of the five Boards served by the Department of Employee Trust Funds in 1992. This section explains how members are appointed or elected, shows how membership overlaps, and provides information on the individual Board members. Members of the Boards of Trustees represent a variety of geographic areas and are chosen, under state statutes, in a variety of ways. Some members are direct appointees of the incumbent Governor, others are appointed to fixed terms from lists submitted to the Governor by specified organizations, and still others are directly elected by active participants or retirees.

The members and officers of each board are listed, along with a short explanation of each board's responsibility:

### **Employe Trust Funds Board (11 members)**

This board sets policy for the Department of Employee Trust Funds (ETF); appoints the ETF Secretary; approves tables used for computing benefits, contribution rates and actuarial assumptions; authorizes all annuities except for disability; approves or rejects ETF administrative rules; and generally oversees the benefit programs, except group insurance and Deferred Compensation. Membership criteria is set by state law, with some members appointed by the Teachers Retirement Board (TRB) and the Wisconsin Retirement Board (WRB).

Members, how they are chosen for the ETF Board, and their original source of appointment are:

### **Board Members (as of 12/31/92)**

**Chair: Marilyn J. Wigdahl**, Accountant, UW-LaCrosse, appointed by Wisconsin Retirement Board; WRB member appointed by the Governor as a participating state employe.

**Vice-Chair: Mark H. Stone**, Superintendent of Schools, Little Chute Area District, DePere, appointed by Teachers Retirement Board; TRB member appointed by the Governor as a public school administrator who is not a classroom teacher.

**Secretary: Kenneth F. Stelzig**, Vocational school teacher, Eau Claire; appointed by Teachers Retirement Board; elected to TRB by vocational school teachers.

### **Others:**

**Paul C. Adamski**, Finance Director, City of Stevens Point, appointed by Wisconsin Retirement Board; WRB member appointed by Governor as a chief executive or finance officer from a participating city or village. (now President, State Bank of Rosholt.)

**Constance P. Beck**, President, C.P. Beck Consulting, Milwaukee, Governor's appointee as a public member who is NOT a participant in or beneficiary of the WRS. The appointee must have substantial actuarial, employe benefit or insurance experience.



**John L. Brown**, County Clerk, Washburn County, Spooner, appointed by the Wisconsin Retirement Board; WRB member appointed by the Governor as a participating county or town board member from a list submitted by the Wisconsin Counties Association.

**Gale F. Dushack**, Deputy Comptroller, City of Madison, appointed by Wisconsin Retirement Board; WRB member appointed by Governor as an employe of a participating city or village.

**Stephen H. Frankel**, ex-officio, Managing Actuary, Northwestern Mutual Life Insurance, Milwaukee. Governor's designee on the Group Insurance Board. (Governor's appointee)

**Jon Litscher**, ex-officio, Secretary of Wisconsin Department of Employment Relations, Madison,

**Robert M. Niendorf**, Professor of Finance, College of Business Administration, University of Wisconsin-Oshkosh; appointed by Teachers Retirement Board; TRB member appointed by Governor as a UW teacher participant in the WRS.

**Richard J. Wesley**, Milwaukee public school teacher, appointed by Teachers Retirement Board; elected to TRB by Milwaukee teachers.

### **Wisconsin Retirement Board (9 Members)**

The Wisconsin Retirement Board advises the ETF board on matters relating to retirement; approves or rejects administrative rules; authorizes or terminates disability benefits for non-teachers; and hears appeals of disability rulings. It appoints four members to the ETF Board and one to the separate State of Wisconsin Investment Board.

### **Board Members (as of 12/31/92)**

**Chair: Marilyn J. Wigdahl**, LaCrosse, state employe appointed by Governor. (See ETF Board)

**Vice-Chair: John L. Brown**, County Clerk, Washburn County, Spooner; Must be from a county different from other county appointees. (See ETF Board)

**Secretary: C. F. Saylor**, County Board Chairman, Juneau County, Necedah, appointed by the Governor as an employe of a participating local employer, other than a city or village, and from a different county than other appointees.

### **Others:**

**Beverly J. Anderson**, Mayor of Darlington; Governor's appointee from a list of city or village chief executives supplied by the League of Wisconsin Municipalities.

**Theodore H. Bauer**, Finance Director, City of Neenah; appointed by Governor as a local financial officer.

**David L. Heineck**, Life and Health Actuary, Wisconsin Commissioner of Insurance's Office, Madison, designated by the Commissioner as an experienced actuary.

**Donna Jarvis**, Executive vice president/CEO, U.S. Counseling Services, Inc. Brookfield; appointed by the Governor as a public member who is not a participant or beneficiary of the WRS.

**Wayne E. Koessler**, Government Affairs Representative, Wisconsin Electric Power Co., Kenosha, and member Kenosha County Board of Supervisors; appointed by Governor from a list submitted by the Wisconsin Counties Association.

**Donald S. Marx**, Real Estate Manager, City of Madison, appointed by Governor from a city or village. Must be from a different municipality and county than other appointees to this board.

### **Teachers Retirement Board** (13 members)

Advises ETF Board on retirement and other benefit matters involving public school, vocational, state and university teachers; acts on administrative rules and authorizes or terminates teacher disability benefits and hears disability benefit appeals. Nine of the 13 members are directly elected.

#### **Board Members (as of 12/31/92)**

**Chair: Kenneth J. Stelzig**, Eau Claire; elected by vocational school teachers. (See ETF Board)

**Vice-Chair: John F. Walsh, Jr.**, Biology Teacher, Cumberland Public Schools; elected by public school teachers.

**Secretary: David J. De Wan**, Language Teacher, Green Bay School District, New Franken, elected by public school teachers.

#### **Others:**

**Lauri R. Bickel**, teacher in the Eau Claire School District, elected by public school teachers.

**Bill L. Board**, member of the Elroy/Kendall/Wilton School Board, Elroy; appointed by the Governor as a school board member.

**Theodore Bratanow**, Engineering Mechanics Faculty, University of Wisconsin-Milwaukee; appointed by the Governor as a UW faculty member. Must be from a different campus than the other UW representative.

**Orville F. Christian**, retired teacher, Wausau; elected by retired teachers.

**Donald T. Ganther**, teacher in the Chippewa Falls School District; elected by public school teachers.

**Wayne D. McCaffery**, economics teacher, Stevens Point High School District; elected by public school teachers.

**Robert M. Niendorf**, Professor of Finance, College of Business Administration, University of Wisconsin-Oshkosh; appointed by the Governor as a UW faculty member. (See ETF Board)

**Melvin Pinsker**, social sciences teacher, Greenfield High School, elected by public school teachers.

**Mark H. Stone**, De Pere, appointed by the Governor as a public school administrator who is not a classroom teacher. (See ETF Board)

**Richard J. Wesley**, Milwaukee public school teacher; elected by Milwaukee school teachers. (See ETF Board)

### **Group Insurance Board** (10 members)

This Board sets policy and oversees administration of the group health, life insurance, and Income Continuation Insurance plans for state employees and the group health and life insurance plans for local employers who choose to offer them. The Board also can provide other insurance plans, if employees pay the entire premium.

#### **Board Members (as of 12/31/92)**

**Chair: Stephen H. Frankel**, Milwaukee; appointed as the Governor's Designee. (See ETF Board)

**Vice-Chair: Randy A. Blumer**, Assistant Deputy Commissioner of Insurance, Office of the State Commissioner of Insurance; designee of the commissioner.

**Secretary: Wayne K. Potter**, Guidance Counselor, New Lisbon School District; appointed by the Governor as an insured teacher participant in the WRS.

**Others:**

**Robert A. Alesch**, former senior personnel officer, University of Wisconsin System; appointed by the Governor as a retired, insured employe.

**Martin Beil**, Executive Director, American Federation of State, County and Municipal Employes Union, Council 24; appointed by the Governor as an insured member of the retirement system who is not a teacher.

**Patricia J. Gorence**, Deputy Wisconsin Attorney General, Madison; appointed as the Attorney General's designee.

**George F. Lightbourn**, Executive Assistant, Wisconsin Department of Administration (DOA); designee of the DOA Secretary.

**Jon Litscher**, Secretary of Wisconsin Department of Employment Relations, appointed by the Governor. (See ETF Board)

**Kenneth J. Merkel**, Brookfield, appointed by the Governor with no membership requirements.

**C. F. Saylor**, Necedah, Governor's appointee as an employe of a local unit of government. (See Wisconsin Retirement Board).

**Deferred Compensation Board**  
(5 members)

The Board sets policy, contracts with investment and administrative service providers, and oversees administration of the program. The Board is responsible for establishing criteria and procedures for selecting and evaluating investment options offered by the program. All Board members are appointed by the Governor; there are no statutory requirements for appointments.

**Board Members (as of 12/31/92)**

**Chair: Edward D. Main**, Legal Counsel, Wisconsin Department of Administration, (DOA) Madison.

**Vice Chair: Peter F. Ullrich**, Investment Broker, Agritech Investments Inc. Wauwatosa.

**Secretary: James R. Severance**, Investment Director/Common Stocks, State of Wisconsin Investment Board, Madison.

**Others:**

**Martin Beil**, Executive Director, American Federation of State, County and Municipal Employes Union, Council 24, State Employes Union, Madison.

**J. Jean Rogers**, Administrator of the Division of Economic Support, Wisconsin Department of Health and Social Services, Madison.

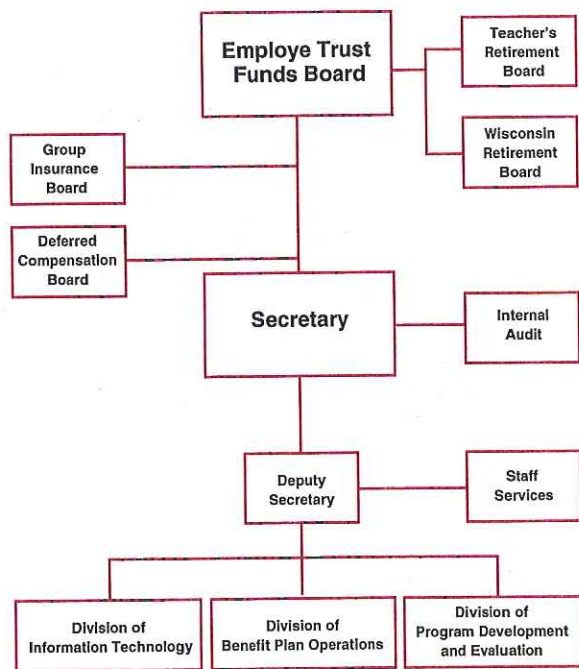
(In addition, the State of Wisconsin Investment Board (SWIB) is an independent state agency, not part of the ETF Board system. SWIB issues a separate annual report, discussing its investment activities. A brief review is contained in the Investments and Administrative Expenses Section.)

### **Department Organization**

The Department of Employee Trust Funds had 165.1 permanent, full-time positions at the end of 1992, with employees in offices in Madison and Milwaukee. There was an important reorganization in the fall of 1992 in which the former Administrative Services Division became the Division of Information Technology (DoIt). The reorganization's purpose was to put more

emphasis and accountability on department-wide coordination of data processing to support the increased volume and complexity of ETF work and better serve all participants. ETF has three divisions, DoIt, Benefit Plan Operations and Program Development and Evaluation plus two offices, Staff Services and Internal Audit, as shown in the following organizational chart.

### **Department of Employee Trust Funds**



**Management Staff (12/31/92)**

**Secretary:** Eric Stanchfield  
**Deputy Secretary:** David Mills  
**Executive Assistant:** Gary Gates

**Staff Services Director:** Rhonda Dunn

Office Services Section: Diane Vultaggio

**Internal Audit Director:** Robert Schaefer

**Administrator,**  
**Division of Information Technology:**  
Vacant

Applications Development Bureau:  
Jon Forde  
Data Processing Operations Bureau:  
Sandy Kreul  
Computer Science Bureau: Steven Smith

**Administrator, Division of Program  
Development and Evaluation:** Peg Smelser

Legal Counsel: Robert Weber

Program Director, Retirement and  
Survivor Benefits: David Stella  
Mary Anglim, Assistant  
Program Director, Health and Disability  
Benefits: Thomas Korpady  
William Kox, Assistant

**Administrator, Division of Benefit Plan  
Operations:** David Hinrichs

Benefits Bureau Director: Julie Reneau  
Benefit Information Section: Linda Owen  
Benefit Processing Section: David Short  
Benefit Payments Section: James Lodholz

Membership and Coverage Bureau  
Director: Jean Gilding, acting  
Transaction Reporting Section:  
Mary Hensen  
Financial Reporting Section: Vacant  
Accounting Bureau Director: Robert Willett  
Communications Director:  
Stephen Tatarsky

**Principal Consultants and  
Administrators**

**Consulting Actuaries:**  
Gabriel, Roeder, Smith & Co.  
Detroit, MI

Millimen & Robertson, Inc  
Milwaukee, WI

**Auditors:**  
Legislative Audit Bureau  
Madison, WI

**Third Party Administrators:**

**Health Insurance:**  
Wisconsin Physicians Service  
Madison, WI

**Income Continuation Insurance:**  
United Wisconsin Insurance Co.  
Milwaukee, WI

**Deferred Compensation:**  
National Deferred Compensation Inc.  
Columbus, OH

**Employee Reimbursement Accounts:**  
Fringe Benefits Management Co.  
Tallahassee, FL

**Life Insurance**  
Minnesota Mutual Life Insurance Co.  
Minneapolis, MN

# Legislation and Annual Accomplishments

## Legislation effective in 1992 or on January 1, 1993

During 1992, the Legislature completed action on several bills that affect ETF and the programs it administers. The new laws included:

**1991 WI Act 107** increased from 5 to 10 years the period during which a retired state employe may delay the use of accumulated sick leave credits to pay for post-retirement health insurance coverage under the state employe plan.

**1991 WI Act 113** allows any retired state employe and certain former state employes to purchase coverage under the state group health insurance program by furnishing evidence of insurability satisfactory to the insurer.

**1991 WI Act 116** added an annuitant, elected by other WRS annuitants, to serve on the ETF Board and the Retirement Research Committee (RRC). The act also changed from 8 to 10 members the number of members of the RRC necessary to constitute a quorum and gave the ETF Secretary the authority to designate someone to represent him or her on the Joint Survey Committee on Retirement Systems and the RRC.

**1991 WI Act 141** allows rollovers from qualified pension plans to the WRS and allows a participant to designate the WRS as a payout option for the state's deferred compensation plan. Also allows rollovers from the WRS to other qualified plans or IRAs.

**1991 WI Act 152** made various changes affecting the WRS, group insurance and other benefit plans offered to public employes. The act:

- Requires that a reduced annuity shall automatically convert to a straight-life annuity payable until the participant's death if: (1) the participant had chosen an annuity at retirement that would continue to pay benefits to the participant's beneficiary in the event of the participant's death, but (2) the beneficiary dies within 5 years of the participant's retirement. Under the prior law, the participant would have continued to

receive the lower annuity in the event the beneficiary died shortly after the participant retired.

- Allows any state employe who has attained 20 years of creditable service to continue his or her coverage under the state group health insurance program if he or she is: (1) insured under the state plan at the time of termination; (2) leaves state service without withdrawing the accumulated contributions from the WRS; (3) is not eligible for an immediate WRS annuity; and (4) if eligible, receives Medicare coverage.
- Provides that an individual, who receives a WRS annuity and is rehired by a WRS employer, continues to receive the annuity unless he or she files a written election with ETF to be included as a participating employe. Prior law required ETF to terminate the annuity after the participant's annual earnings with the new employer exceeded a certain limit and required the new employer to include the individual as a participating employe.
- Permits an employe to appeal an employer's determination that the employe is not a participating employe or a protective occupation employe directly to the ETF Board. Prior law required the employe to appeal the employer's determination to ETF, subject to review by the ETF Board.
- Specifies that only the Circuit Court of Dane County may review a decision of the Wisconsin Retirement Board, the Teachers Retirement Board, the Group Insurance Board, the Deferred Compensation Board or the ETF Board.
- Requires ETF to add interest to a payment that corrects a WRS retirement or disability annuity underpayment if the underpayment was not corrected for at least 12 months.

- Provides for monthly proration of annual interest earnings on retirement contribution accumulations when calculating lump sum money purchase annuities under the WRS.
- Allows a participating employee to use part or all of the additional contributions that he or she made to the WRS to purchase previously forfeited creditable service.
- Provides that an employee who is employed in a position that would otherwise be covered under the WRS is not covered under the WRS as a participating employee if the employee is under 20 years of age and is regularly enrolled, or is expected to be regularly enrolled, as a full-time student in a public, private or parochial high school.
- Clarifies the method used by the State Investment Board to determine the value of the assets of the fixed and variable retirement funds.
- Changed the annual earnings period under the WRS for justices and judges from the calendar year to a fiscal year period from July 1 through the following June 30 of each year.
- Authorized the Group Insurance Board to contract with the Office of Health Care Information and other entities to collect and analyze data from HMOs and other insurers that provide health insurance to state employees.
- Created a provision that allows WRS participating employees to receive additional creditable service as employees of non-WRS government entities if the participants pay ETF an actuarial determined lump sum equal to the value of the requested additional creditable service.

### *Accomplishments for January 1, 1992 through December 30, 1992*

#### Service To Participants

1. ETF implemented its automated telephone system in spring 1992, with over 120 pre-recorded messages. Over 20,500 messages were accessed by participants as of August. An abbreviated menu for annuitants was printed in the May Trust Fund News.
2. ETF completed a major revision of the appearance and a clarified language in the Disability Annuity Application and updated the information packets sent to individuals considering retirement.
3. Benefit Information public sessions were held in 1992 in Barron, Brown Deer, Crandon, DeForest, Medford, Neenah, Richland Center and Solon Springs. Nearly 800 persons attended.

#### Service To WRS Employers

1. ETF completed its 1991 financial statements for all departmental funds in September, the earliest that complete statements have ever been prepared.

**1991 WI Act 203** authorized the Board of Regents of the UW System to deduct contributions from the salaries of football coaches employed in the UW System who are eligible for and wish to participate in a qualified cash or deferred compensation plan for football coaches.

**1991 WI Act 229** provides for the continued accrual of retirement benefits under the WRS for UW System faculty on sabbatical leave.

**1991 WI Act 269** made the following changes to the statutes:

- Eliminated "salary indexing" the value of the accumulated sick leave for elected or appointed officials that was included in 1991 WI Act 39. The law now allows these officials to convert accumulated sick leave to pay for post-retirement health insurance premiums at the person's base rate at the time he or she terminated.

2. A new liaison with the State Payroll Council began in 1992 to exchange program issues and information with agency members.
3. There were three on-site employer training sessions at the request of the employers in the Town of Blue Mound, Town of Rome and Langlade County.

#### Benefit Programs

1. A study by the Martin Segal Company of the state group health plan resulted in recommendations to the Group Insurance Board for improved data collection and administration and to better track provider performance and efficiency.
2. ETF's first full-time legislative liaison and strategic planner was employed to monitor legislation and federal developments that would impact the WRS and its benefit plans.
3. The health staff analyzed claims for participants with 1991 charges exceeding \$25,000 to determine which patients, diagnosis and procedures generated the most cost to the group health program.
4. ETF prepared a detailed age/sex analysis of each group health plan's membership. A "high user" sample was defined, and staff analyzed opinions and preferences of this group.
5. Staff audited managed care services provided to the Standard Plans by Health Care Compare. This involved working with the Association of Wisconsin Health Maintenance Organizations to improve the quality and consistency of data submitted in the future.
6. A new Wisconsin Deferred Compensation (WDC) program administrator began in January 1992. Six new investment funds were added in February and four investment options were phased out December 31, 1992. Improved marketing brought in 2,600 new enrollments and

enabled the WDC Board to reduce asset fees to participants.

7. ETF designed a Long-Term Disability Insurance (LTDI) plan to comply with the new federal Older Worker Benefit Protection Act. An emergency rule became effective October 15th. Amendments were made to the Income Continuation Insurance administrative services contract, the health plans and the life insurance contract to accommodate the LTDI plan.

#### Administrative

1. In 1992, ETF accomplished considerable progress in the Wisconsin Employee Benefits System (WEBS), the agency's information technology system. This included re-evaluating and refocusing the entire project using the Critical Path Method. ETF reorganized the WEBS project team, reallocated staff assignments and dedicated 3.5 user staff to the project full-time. Scheduling of remaining WEBS phases (eleven total) was revised, beginning with the Phase 4 conversion to the new system in August.
2. All participant transactions reported by employers for 1992 through the first week of December 1992 were entered into the new WEBS database. Participant information is accessed with on-line computer screens for immediate response.
3. The new IBM AS400 mini-computer was installed in September to process annuity payments.
4. Requests for Proposals were generated in the following areas: actuarial services for retirement and insurance plans, new financial management software for accounting, and the health care membership file database project. Improved contract terms were negotiated resulting in improved services, greater efficiency and/or lower costs. Detailed performance standards with some financial penalties were established.

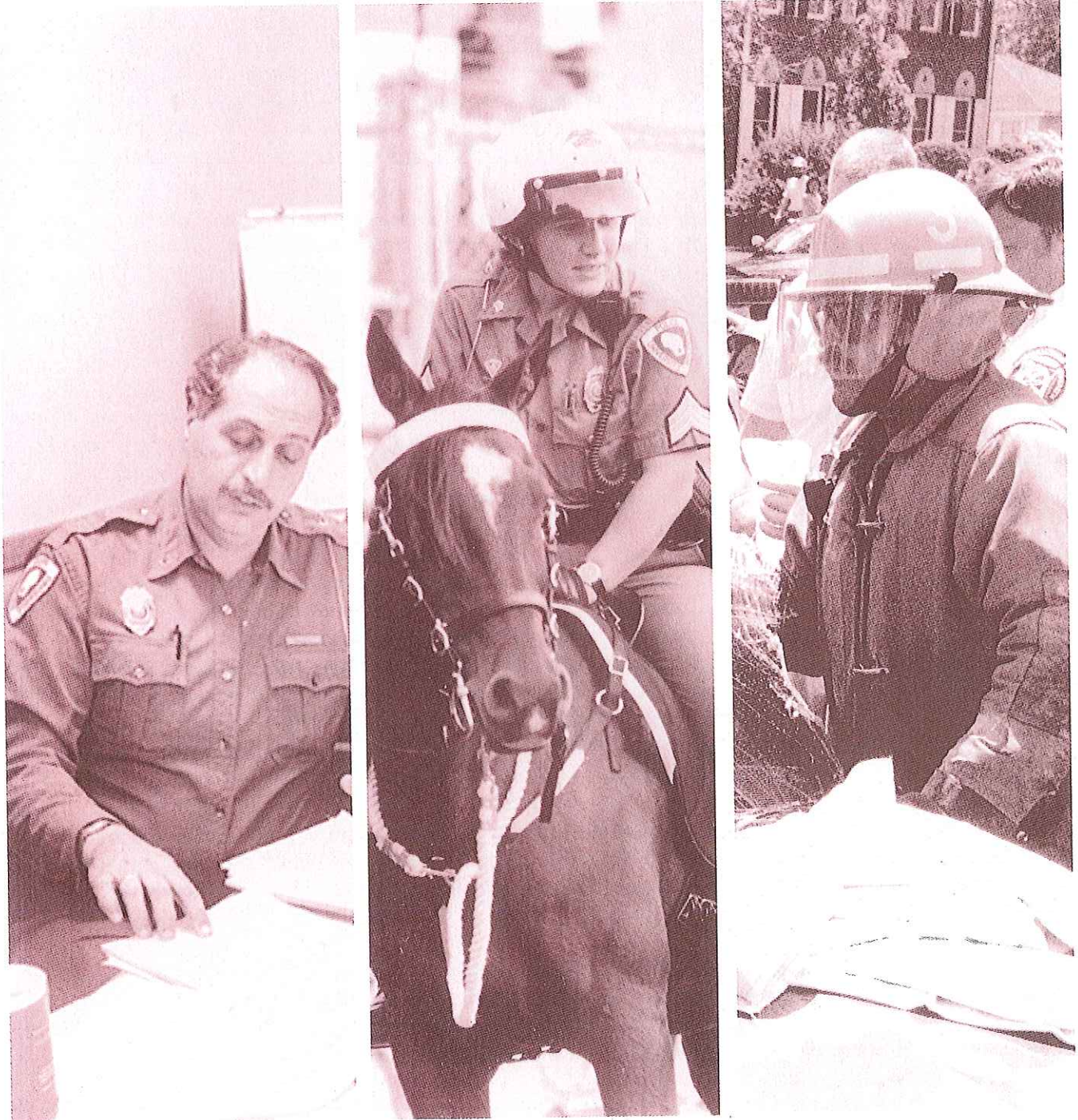


5. Contract revisions and extensions were negotiated with Minnesota Mutual Life Insurance for the addition of a "living benefit" to be made available to a terminally ill participants. Contracts with United Wisconsin Insurance Company for disability insurance, and Fringe Benefits Management Corporation for the employee reimbursement accounts plan were also extended.
6. ETF hired a limited term Space Designer to assist in implementing a newly approved space layout plan, and the following improvements were completed:
  - Eighty work stations with new systems furniture;
  - Relocation and improved space and security for Records Management staff;
  - An additional 5,002 square feet of space in the GEF 1 building, enabling all Madison ETF staff to be consolidated in one building.

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1992 Comprehensive Annual Financial Report

# FINANCIAL



*Police and Fire Officers*

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**INDEPENDENT AUDITOR'S REPORT**

Senator Peggy A. Rosenzweig and  
Representative Kimberly M. Plache, Co-chairpersons  
Joint Legislative Audit Committee

Mr. Eric Stanchfield, Secretary  
Department of Employee Trust Funds

We have audited the accompanying combined balance sheet of the State of Wisconsin Department of Employee Trust Funds as of December 31, 1992, and the related combined statements of revenues, expenditures, and changes in fund balance of governmental fund types and expendable trust funds; revenues, expenses, and changes in equity of pension trust funds and enterprise funds; and cash flows of enterprise funds. These financial statements are the responsibility of the State of Wisconsin Department of Employee Trust Funds' management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Deferred Compensation Plan, which represents 51.1 percent of the assets of the Agency Funds and 1 percent of combined assets. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on the combined financial statements, insofar as it relates to the amounts included for the Deferred Compensation Plan, is based solely on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

As discussed in Note 1, the financial statements of the Department of Employee Trust Funds are intended to present the financial position and results of operations of governmental fund types of only that portion of the funds and account groups of the State that is attributable to the transactions of the Department.

In our opinion, based on our audit and the report of the other auditors, the combined financial statements referred to above present fairly, in all material respects, the financial position of the State of Wisconsin Department of Employee Trust Funds as of December 31, 1992, the results of its operations, and the cash flows of the enterprise funds for the years then ended, in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the combined financial statements of the State of Wisconsin Department of Employee Trust Funds taken as a whole. The combining financial statements are presented for purposes of additional analysis and are not a required part of the combined financial statements of the State of Wisconsin Department of Employee Trust Funds. Such

information has been subjected to the auditing procedures applied in the examination of the combined financial statements, and, in our opinion, is fairly presented in all material respects in relation to the combined financial statements taken as a whole.

The required supplementary information on the Wisconsin Retirement System's revenues and expenses and analysis of funding progress and the required supplementary information on claims development information for public entity risk pools are not required parts of the basic financial statements but are supplementary information required by Governmental Accounting Standards Board Statements 5 and 10. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of presentation of the supplementary information. The Department also includes the accompanying supplementary information listed as the actuarial section, statistical section, and investments and administration in the table of contents, which is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplementary information has not been subjected to the auditing procedures applied in the audit of the financial statements referred to above and accordingly, we express no opinion on it.

LEGISLATIVE AUDIT BUREAU

July 12, 1994

by

  
Dale Cattanaach  
State Auditor

**Wisconsin Department of Employee Trust Funds  
Combining Balance Sheet—All Fund Types and Account Group  
December 31, 1992**

	General Fund Supplement	Pension Trust Funds	Enterprise Trust Funds	Expendable Trust Funds	Administrative Funds	Agency Funds	Fixed Assets Account Group	Memorandum Only Totals	
								Dec. 31, 1992	Dec. 31, 1991
<b>Assets</b>									
Cash and cash equivalents	\$ 0	\$ 598,293,488	\$ 108,628,170	\$ 128,096,088	\$ 0	\$ 257,261,582	\$ 0	\$ 1,092,279,328	\$ 708,081,575
Investments	0	25,221,727,414	0	0	0	268,188,127	0	25,489,915,541	23,538,908,135
Contributions receivable	0	100,280,697	1,181,937	3,334,820	0	207,570	0	105,005,024	97,208,900
Benefit overpayments receivable	7,101	989,146	520,013	4,378	0	0	0	1,520,638	979,711
Administrative reimbursement receivable	0	0	0	0	4,897,604	39,705	0	4,937,309	504,643
Due from other funds	0	10,005,994	2,490,675	236,110	0	0	0	12,732,779	28,156,144
Prepaid expenses	0	0	13,972,846	2,972,981	0	0	0	16,945,827	19,910,646
Miscellaneous receivables	0	3,852,987	2,433,769	274,131	450	0	0	6,561,337	24,829,944
Equipment	0	0	0	0	0	0	1,157,874	1,157,874	708,274
<b>Total Assets</b>	<b>\$ 7,101</b>	<b>\$ 25,935,149,726</b>	<b>\$ 129,227,410</b>	<b>\$ 134,918,508</b>	<b>\$ 4,898,054</b>	<b>\$ 525,696,984</b>	<b>\$ 1,157,874</b>	<b>\$ 26,731,055,657</b>	<b>\$ 24,419,287,972</b>
<b>Liabilities, Equity, and Other Credits</b>									
<b>Liabilities:</b>									
Deferred compensation payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 268,398,225	\$ 0	\$ 268,398,225	\$ 239,281,058
Due to City of Milwaukee retirement	0	0	0	0	0	2,561,774,46	0	256,177,446	234,147,224
Administrative reimbursement advance	0	0	0	0	0	0	0	0	4,835,847
Investment income payable	0	0	0	0	854,436	0	0	854,436	738,052
Estimated future claims	0	0	151,299,780	993,601	0	0	0	152,293,381	131,263,561
Advance contributions	0	518,847	26,749,441	1,055,352	0	0	0	28,323,640	26,607,657
Administrative expense payable	0	3,796,957	881,759	169,184	0	49,704	0	4,897,604	267,537
Annuitants payable	0	71,629,076	669,386	0	0	0	0	71,629,076	63,784,577
Miscellaneous payables	7,101	7,994,020	3,760,703	236,110	137,482	633	0	8,208,622	7,160,182
Due to other funds	0	5,174,315	0	0	2,490,676	1,070,976	0	12,732,780	28,156,144
<b>Total Liabilities</b>	<b>7,101</b>	<b>88,513,215</b>	<b>183,361,069</b>	<b>2,454,247</b>	<b>3,482,594</b>	<b>525,696,984</b>	<b>0</b>	<b>803,515,210</b>	<b>736,261,839</b>
<b>Equity and Other Credits:</b>									
Fund balances	0	25,846,636,511	0	132,464,261	1,415,460	0	0	25,980,516,232	23,738,524,965
Retained earnings	0	0	(54,133,659)	0	0	0	0	(54,133,659)	(56,207,106)
Investment in fixed assets	0	0	0	0	0	0	1,157,874	1,157,874	708,274
<b>Total Equity and Other Credits</b>	<b>0</b>	<b>25,846,636,511</b>	<b>(54,133,659)</b>	<b>132,464,261</b>	<b>1,415,460</b>	<b>0</b>	<b>1,157,874</b>	<b>25,927,540,447</b>	<b>23,683,026,133</b>
<b>Total Liabilities, Equity, and Other Credits</b>	<b>\$ 7,101</b>	<b>\$ 25,935,149,726</b>	<b>\$ 129,227,410</b>	<b>\$ 134,918,508</b>	<b>\$ 4,898,054</b>	<b>\$ 525,696,984</b>	<b>\$ 1,157,874</b>	<b>\$ 26,731,055,657</b>	<b>\$ 24,419,287,972</b>

The accompanying notes are an integral part of the financial statements.

*Statement 2*

*Wisconsin Department of Employee Trust Funds  
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
All Governmental Fund Types and Expendable Trust Funds  
for Year Ended December 31, 1992*

	General Fund Supplement	Expendable Trust Funds	Administrative Fund	Memorandum Only Totals All Funds	
				December 31, 1992	December 31, 1991
<b>Revenues</b>					
Investment income	\$ 0	\$ 11,048,705	\$ 134,730	\$ 11,183,435	\$ 17,235,130
Contributions	0	60,394,294	0	60,394,294	55,961,776
Annuity supplements	532,962	0	0	532,962	594,895
Administrative expense reimbursement	0	136,291	9,718,138	9,854,429	9,599,629
Miscellaneous receipts	0	1,323	374	1,697	1,760
<b>Total Revenues</b>	<u>532,962</u>	<u>71,580,613</u>	<u>9,853,242</u>	<u>81,966,817</u>	<u>83,393,190</u>
<b>Expenditures</b>					
Annuities	532,962	0	0	532,962	594,895
Insurance claims	0	7,354,179	0	7,354,179	6,270,744
Insurance premiums	0	12,792,925	0	12,792,925	13,019,969
Miscellaneous expenditures	0	0	456	456	775
Administrative expenditures	0	796,449	9,921,822	10,718,271	10,114,996
<b>Total Expenditures</b>	<u>532,962</u>	<u>20,943,553</u>	<u>9,922,278</u>	<u>31,398,793</u>	<u>30,001,379</u>
Excess of revenue over expenditures	<u>0</u>	<u>50,637,060</u>	<u>(69,036)</u>	<u>50,568,024</u>	<u>53,391,811</u>
<b>Other Financing Uses</b>					
Operating transfers out	<u>0</u>	<u>(20,994,400)</u>	<u>0</u>	<u>(20,994,400)</u>	<u>(19,471,982)</u>
Increase in Net Assets	<u>\$ 0</u>	<u>\$ 29,642,660</u>	<u>\$ (69,036)</u>	<u>\$ 29,573,624</u>	<u>\$ 33,919,829</u>
Fund Balances - January 1	<u>0</u>	<u>102,821,601</u>	<u>1,484,496</u>	<u>104,306,097</u>	<u>70,386,268</u>
Fund Balances - December 31	<u>\$ 0</u>	<u>\$ 132,464,261</u>	<u>\$ 1,415,460</u>	<u>\$ 133,879,721</u>	<u>\$ 104,306,097</u>

The accompanying notes are an integral part of the financial statements.

## Statement 3

*Wisconsin Department of Employee Trust Funds  
Combined Statement of Revenues, Expenses, and Changes in Equity  
Pension Trust Funds and Enterprise Funds  
for Year Ended December 31, 1992*

	Pension Trust Funds	Enterprise Funds	Memorandum Only Totals All Funds	
			December 31, 1992	December 31, 1991
<b>Operating Revenues</b>				
Investment income	\$ 2,243,267,094	\$ 7,134,677	\$ 2,250,401,771	\$ 4,173,443,269
Contributions	847,078,563	298,368,819	1,145,447,382	1,031,110,777
Total Revenues	3,090,345,657	305,503,496	3,395,849,153	5,204,554,046
<b>Operating Expenses</b>				
Annuities	828,462,084	27,651,778	856,113,862	764,458,727
Lump sum benefits	35,771,263	0	35,771,263	40,577,931
Insurance claims	0	74,059,412	74,059,412	61,858,408
Insurance premiums	6,187,170	218,914,844	225,102,014	183,926,841
Administrative expense	7,691,189	3,251,629	10,942,818	10,381,668
Total Expenses	878,111,706	323,877,663	1,201,989,369	1,061,203,575
Operating Income (Loss)	2,212,233,951	(18,374,167)	2,193,859,784	4,143,350,471
Nonoperating Income (Expense)	112,714	211	112,925	94,605
Miscellaneous income	0	(546,997)	(546,997)	(281,252)
Interest expense				
Net Income (Loss) before Transfers	2,212,346,665	(18,920,953)	2,193,425,712	4,143,163,824
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	30,768,036	20,994,400	51,762,436	28,487,625
Operating transfers out	(30,697,059)	0	(30,697,059)	(8,931,020)
Total Other Financing Sources (Uses)	70,977	20,994,400	21,065,377	19,556,605
Net Income (Loss)	2,212,417,642	2,073,447	2,214,491,089	4,162,720,429
Equity Balances - January 1	23,634,218,869	(56,207,106)	23,578,011,763	19,415,291,334
Equity Balances - December 31	\$ 25,846,636,511	\$ (54,133,659)	\$ 25,792,502,852	\$ 23,578,011,763

The accompanying notes are an integral part of the financial statements.

*Wisconsin Department of Employee Trust Funds  
 Combined Statement of Cash Flows  
 Enterprise Funds  
 for the Year Ended December 31, 1992*

*Statement 4*

**Cash Flows from Operating Activities**

Cash received for insurance premiums	\$318,656,213
Cash paid for employee benefits	(301,088,347)
Cash paid for administrative services	(2,233,091)
Net cash provided by operating activities	15,334,775

**Cash Flows from Non-Capital Financing Activities**

Interest paid on cash advances	(546,997)
Cash advances (repayments)	(2,123,764)
Interest on delinquent premiums	211
Operating transfers from other funds	19,228,404
Net cash provided by non-capital financing activities	16,557,854

**Cash Flows from Investing Activities**

Investment Income	7,134,677
Net increase (decrease) in cash and cash equivalents	39,027,306
Cash and cash equivalents at beginning of year	69,600,864
Cash and cash equivalents at end of year	\$108,628,170

**Reconciliation of Operating Income to Net Cash Provided by Operating Activities**

Operating income	\$(18,374,167)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Investment income classified as operating revenue	(7,134,677)
Changes in assets and liabilities:	
Increase in contributions receivable	(196,648)
Increase in benefit overpayments receivable	(180,438)
Decrease in miscellaneous receivables	18,483,644
Increase in prepaid expenses	(1,301,616)
Increase in estimated future claims	20,642,712
Increase in advance contributions	2,000,397
Increase in miscellaneous payables	513,809
Increase in administrative expense payable	881,759
Total adjustments	33,708,942
Net cash provided by operating activities	\$15,334,775

The accompanying notes are an integral part of the financial statements.



# Notes to Combined Financial Statements

## 1. Summary of Significant Accounting Policies

### Presentation Basis

The financial statements of the Wisconsin Department of Employee Trust Funds have been prepared in conformity with generally accepted accounting principles (GAAP) for government units as prescribed by the Governmental Accounting Standards Board (GASB). The Department of Employee Trust Funds is part of the State of Wisconsin financial reporting entity. The following funds and account groups have been used to account for the assets and operations of the Department.

#### Governmental Funds:

- General Fund - Annuity Supplements
- Special Revenue Fund - Administration

#### Fiduciary Funds:

##### Pension Trust Funds:

- Fixed Retirement Investment Fund
- Variable Retirement Investment Fund
- Milwaukee Special Death Benefit Police and Firefighters (Ch. 182, Laws of 1977)

##### Expendable Trust Funds:

- Accumulated Sick Leave (Post Retirement Health Insurance)
- Group Life Insurance
- Employee Reimbursement Accounts

##### Agency Funds:

- Social Security
- Deferred Compensation
- City of Milwaukee Retirement System

##### Proprietary Funds:

##### Enterprise Funds:

- Group Health Insurance
- Group Income Continuation Insurance
- Duty Disability
- Long-Term Disability Insurance

##### Account Group:

- General Fixed Assets Account Group

Amounts in the "Memorandum Only Totals" columns in the combined financial

statements are a summation of line items and are presented for comparative purposes only. The amounts in these columns are not comparable to a consolidated presentation and do not present the consolidated financial position, results of operations, or changes in financial position.

### New Fund

A new enterprise fund, Long-Term Disability Insurance, was created during 1992. This fund is used to account for a new disability insurance risk pool established during 1992. A complete description of the new fund is included in Note 7.

### Accounting Basis

The financial statements of the Wisconsin Department of Employee Trust Funds have been prepared in accordance with generally accepted accounting principles. All Governmental, Expendable Trust, and Agency funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become measurable and available and expenditures when the related fund liability is incurred. Pension Trust Funds and Enterprise Funds are accounted for using the flow of economic resources measurement focus and a full accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

### Investment Valuation

Benefit plan assets are invested in one of three investment pools managed by the State of Wisconsin Investment Board (SWIB): 1) the Fixed Retirement Investment Trust (FRIT), a balanced investment fund made up of high-quality fixed income securities (such as bonds) and equity securities (stocks); 2) the Variable Retirement Investment Trust (VRIT), which is invested primarily in stocks; and 3) the State Investment Fund, a liquid fund invested

primarily in short-term obligations of the U.S. Government and its agencies, high-quality commercial paper, repurchase agreements, certificates of deposit, and bankers' acceptances. The investment policies and authorized investments of the three investment pools are governed by s. 25.17, Wis. Stats.

The retirement fund assets consist of shares in the FRIT and VRIT. Shares in the FRIT and VRIT are purchased as funds are made available from retirement contributions and are sold as funds are needed for benefit payments and other expenses. The assets of the Income Continuation Insurance, Duty Disability, Long-Term Disability Insurance, and Accumulated Sick Leave programs also are invested as part of the FRIT. Earnings are allocated between the Retirement System and other programs based on the average reserve balance for each program.

The FRIT and VRIT hold, as investments, shares in the SWIB-managed State Investment Fund and Combined Stock Fund. The assets of the FRIT and VRIT are carried at market value, and investments are revalued monthly to current market value.

All stocks for the FRIT and VRIT are held in the Combined Stock Fund. The FRIT and VRIT own shares in the Combined Stock Fund rather than owning individual stocks. The Combined Stock Fund is appraised to current market value monthly, and appraisal gains and losses, along with interest, dividends, and realized gains and losses, are distributed to the FRIT and VRIT monthly based on their proportional ownership shares.

Wisconsin statutes require that a Transaction Amortization Account (TAA) be maintained to smooth the impact of market price volatility on the benefit plans invested in the FRIT. All realized and unrealized gains and losses in market value of investments in the FRIT are recorded in the TAA as they are incurred. To recognize the legal restrictions on the use of the TAA for current operations, the fund balances of the participating programs are reserved for the

amount in the TAA and shown as a reserve for market value adjustments. Twenty percent of the TAA balance as of December 31 of each year is transferred from the Reserve for Market Value Adjustments to program reserves.

Year-end balances in the TAA for the last five years after annual distributions were as follows:

December 31, 1988	\$ 2,232,202,980
December 31, 1989	2,586,286,984
December 31, 1990	1,059,472,047
December 31, 1991	2,805,568,995
December 31, 1992	2,978,367,348

For the Deferred Compensation plan, investments in fixed earnings are valued at current book value, while variable earnings investments are presented at market values based on published quotations at December 31. Annuity payout reserves are actuarially determined.

All other trust fund assets are invested in the State Investment Fund. The investments in the State Investment Fund are carried at the cost of the participating shares, which is also the realizable value as of December 31. Investment income, including realized gains and losses, is allocated monthly to participants. Investments in the State Investment Fund are classified as "cash and cash equivalents" on the balance sheet. Investment balances for non-pension programs invested through the FRIT are classified as "cash and cash equivalents" on the respective balance sheets. All remaining assets in the FRIT and VRIT are classified as "investments."

### *Administrative Expenses*

The Department of Employee Trust Funds incurs two types of administrative expenses: administrative costs incurred by the Department to administer its programs, and administrative costs incurred by SWIB and reimbursed by the Department for investing the trust funds.

The administrative costs of all department programs are financed by a separate appropriation and are allocated to the benefit plans in accordance with s. 40.04,

Wis. Stats. The sources of funds for this appropriation are investment earnings and third-party reimbursements received from the various programs administered by the Department. Estimated administrative expenses are allocated to programs at the beginning of each fiscal year and adjusted to actual after the end of the year. The expense recognized for calendar year 1992 includes actual adjusted expenses for January 1, 1992, through June 30, 1992, and estimated expenses for July 1, 1992, through December 31, 1992.

SWIB administrative expense comprises salaries, supplies, services, and equipment necessary for the investing activities of state funds. These expenses are billed to the agencies for which investments are made. In 1992, SWIB administrative expenses for the FRIT and VRIT were \$5,101,400 and \$673,100, respectively. In compliance with s. 40.04(2)(d), Wis. Stats., these costs were charged directly to the appropriate investment income accounts.

### Fixed Assets

All fixed assets are purchased through the Special Revenue Administrative fund and are reported at original cost in the General Fixed Asset Account Group. During 1992, the fixed asset balance changed as follows:

1/1/92 Equipment Balance	\$708,274
Equipment Acquired	570,271
Equipment Disposals	<u>(120,671)</u>

12/31/92 Equipment Balance \$1,157,874

### 2. Deposits and Investments

GASB Statement 3 requires deposits with financial institutions to be categorized to indicate the level of risk assumed, as defined by GASB Statement 3. Cash of \$1,443 is included with Cash and Cash Equivalents in the State Investment Fund.

GASB Statement 3 also requires investments to be categorized to indicate the level of risk assumed by the State, as defined by GASB Statement 3. Category 1 includes

investments that are insured or registered or for which the securities are held by the fund or its agent in the fund's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the fund's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the fund's name.

The following detail regarding the carrying and market value of specific classes of assets is based on SWIB's accounting records. In all instances, carrying value is equal to market value.

	Category (in millions)			Market Value
	"1"	"2"	"3"	
Bonds	\$ 5,399.2	\$ 0	\$ 48.7	\$ 5,447.9
Investment in Combined Stock Fund	<u>15,785.7</u>	<u>0</u>	<u>51.0</u>	<u>15,836.5</u>
	\$ 21,184.7	\$ 0	\$ 99.7	
Limited Partnerships				1,062.2
Mortgages				235.7
Investment in State's Investment Fund				282.1
Private Placements				2,871.2
Real Estate				189.1
Real Estate - Commingled Funds				147.3
Miscellaneous Investments				75.8
Interest and Dividends Receivable				<u>165.3</u>
Total				\$26,313.1

Investments of the Deferred Compensation program have not been included in the above schedule. As of December 31, 1992, the investments included (in millions):

Variable Earnings	
(Mutual Fund) Investments	\$156.8
Insured Fixed Earnings Investments	27.8
Fixed Earnings Investments	66.9
Annuity Payout Reserves	<u>16.7</u>
Total	<u>\$268.2</u>

### 3. Description of Pension Trust Funds

The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer public employe retirement system established and administered by the State of Wisconsin to provide pension benefits for state and local government public employes. The system is administered in accordance with Ch. 40, Wis. Stats.

#### WRS Employers

WRS is open to all public employers in Wisconsin. Participation is optional, except that participation is mandatory for school districts with respect to teachers, some municipalities with respect to police and firefighters, and all counties except Milwaukee County. As of December 31, 1992, the number of participating employers was:

State Agencies	63
Cities	152
Counties	71
4th-Class Cities	35
Villages	141
Towns	116
School Districts/CESAS	462
VTAE Districts	16
Other	<u>118</u>
Total Employers	<u>1,174</u>

#### WRS Membership

Any employe of a participating employer who is expected to work at least 600 hours per year must be covered by WRS.

As of December 31, 1992, the WRS membership consisted of:

Current Employes:	
General/Teachers	209,520
Elected/Executive/Judges	1,453
Protective with Social Security	12,161
Protective without Social Security	<u>2,628</u>
Total Current Employes	<u>225,762</u>
Terminated Vested Participants	<u>73,068</u>
Retirees and Beneficiaries Currently Receiving Benefits:	
Retirement Annuities	75,288
Disability Annuities	4,714
Death Beneficiary Annuities	<u>1,506</u>
Total Annuitants	<u>81,508</u>
Total Participants	<u>380,338</u>

#### WRS Benefits

WRS provides retirement benefits as well as death and disability benefits. Participants in the system prior to January 1, 1990, were fully vested at the time they met participation requirements. For participants entering the system after December 31, 1989, creditable service in each of five years is required for vesting.

Employes who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants) are entitled to an annual formula retirement benefit in an amount equal to 1.6 percent (2 percent for elected officials and protective occupations covered by social security, and 2.5 percent for protective occupations not covered by social security) of their final average earnings and creditable service. Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will instead be calculated as a money purchase benefit based on the employe's contributions plus matching employer's contributions with interest if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employe-required contributions plus interest as a separation benefit, or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

#### Post-Retirement Adjustments

The Employe Trust Funds Board may periodically increase annuity payments from the retirement system when investment income credited to the reserves, together with other actuarial experience

factors, creates surplus reserves as determined by the actuary. Annuity increases are not based on cost of living or other similar factors.

The fixed dividends and variable adjustments granted during recent years are as follows:

Year	Fixed Dividend	Variable Adjustment
1986	7.2%	26.0%
1987	7.6	8.0
1988	6.7	(6.0)
1989	4.1	14.0
1990	11.3	16.0
1991	3.6	(14.0)
1992	6.3	18.0

### **Actuarial Liabilities**

WRS's unfunded actuarial accrued liability is being amortized as a level percentage of payroll over a 40-year period beginning January 1, 1990. As of December 31, 1992, 37 years remain on the amortization schedule. Interest is assessed on the outstanding liability at year-end at the assumed earnings rate. The level-percentage-of-payroll amortization method results in a relatively lower dollar contribution in earlier years than in later years, when payrolls have increased. During the early years of the amortization period, payments made are less than annual interest assessments, resulting in an increase in the liability. As payrolls increase annually, prior service payments increase proportionally until they exceed annual interest and finally fully liquidate the liability at the end of 40 years. State law requires the accrued retirement cost be funded.

The unfunded actuarial accrued liability was \$1.985 billion as of December 31, 1992, and \$1.982 billion as of December 31, 1991.

### **Variable Retirement Fund**

Prior to 1980, WRS participants had an option to have one-half of their required contributions and matching employer contributions invested in the VRIT. Retirement benefits were adjusted for the difference between the investment experience of

the FRIT and VRIT. The VRIT was closed to new membership after April 30, 1980. Provisions for allowing members to withdraw from the VRIT were added with the passage of Ch. 221, Laws of 1979. As of December 31, 1992, 28,822 active and inactive participants and 20,968 annuitants remained in the VRIT.

### **Municipal Police and Firefighters Pension Fund**

As of March 31, 1978, administration of certain local funds for police officers and firefighters was assumed by the Wisconsin Retirement Fund. This included approximately 2,000 members. As of December 31, 1992, fewer than 1,200 participants remained in the system. These funds were previously closed to new members after January 1, 1948.

The liability for retirement benefits for these annuitants is funded by the employers as benefit payments are made. Annuity reserves for these police and firefighter annuities are established by a transfer from the employer accumulation reserve at the time the annuity is approved. Earnings on these reserves are used to fund dividends on the same basis as for WRS annuitants. The unfunded liability for these annuitants as of December 31, 1992, and December 31, 1991, was \$56.6 million and \$59.5 million, respectively.

### **Special Milwaukee Death Benefit Fund**

Members of the former Milwaukee Teachers Retirement Fund as of December 31, 1981, could elect to participate in a special death benefit fund. Since September 1986, participation in the program has been continued for eligible participants without premiums. The benefit amount and length of post retirement coverage is actuarially reviewed annually and adjusted as appropriate. The benefit amount has been set at \$3,500 since August 1988. During 1992, coverage was available to eligible participants for four years after retirement. It is the intent of the Employee Trust Funds

Board to extend post-retirement coverage annually by one year, as long as sufficient reserves are available to support the benefit.

#### **Annuity Supplement - General Fund**

As authorized under s. 40.27 (1), Wis. Stats., the General Fund provides certain supplemental annuity benefits to annuitants receiving a continuing annuity on or before September 1974. The benefit is subject to continuation of the appropriation by the Legislature. The Department of Employee Trust Funds serves as a clearing agent for its payment.

#### **4. Contributions Required and Made**

##### **Required Contributions**

Employer contribution rates are determined by the "entry age normal with a frozen initial liability" actuarial method. This is a "level contribution" actuarial method intended to keep employer and employee contribution rates at a level percentage of payroll over the years. This method determines the amount of contributions necessary to fund: 1) the current service cost, which represents the estimated amount necessary to pay for benefits earned by the employees during the current service year plus actuarial gains or losses arising from the difference between actual and assumed experience; and 2) the prior service cost, which represents the estimated amount necessary to pay for unfunded benefits earned prior to the employer becoming a participating employer in WRS and the past service cost of benefit improvements.

Employee contributions are deducted from the employee's salary and remitted to the Department of Employee Trust Funds by the participating employer. Part or all of the employee contributions may be paid by the employer on behalf of the employee.

Employees also make an actuarially determined benefit adjustment contribution. The benefit adjustment contribution is treated as an employer contribution for benefit purposes and is not included in

separations, death benefits, or money purchase annuities. Part or all of the benefit adjustment contribution may be paid by the employer on behalf of the employee.

Effective January 1, 1990, any changes in the contribution rate must be split equally between the employee and the employer.

Contribution rates in effect during 1992 by employment category were:

	Employer Current	Employer Prior*	Employee	Benefit Adjustment Contribution
Elected official, state executive retirement plan	11.1%	0.9%	5.5%	0.1%
Protective occupation with social security	9.8	1.1	6.0	0.7
Protective occupation without social security	14.9	1.5	7.5	0.0
General and teachers	4.8	1.4	5.0	1.2

\* The prior service contribution rate is a weighted average of individual employer rates.

Contributions required and made during 1992 were:

	Contributions	Percentage of Payroll
Employer Current Service	\$ 343,862,780	5.3%
Employer Prior Service	85,286,450	1.3
Employee Required	329,800,803	5.1
Benefit Adjustment Contribution	73,663,146	1.1

##### **Employee and Employer Additional Contributions**

Contributions may be made to the retirement system in addition to the required contributions by employees and/or employers. These contributions are held in separate reserve accounts and are subject to certain restrictions as to amount, form of benefit payments, tax status, etc.

##### **5. Funding Status and Progress**

The amount shown below as "pension benefit obligation" is a standardized disclosure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is

intended to help users assess WRS's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and provide a standard measure for making comparisons among Public Employee Retirement Systems. The measure is independent of the actuarial funding method used to determine contributions to any specific plan.

WRS's funding is based on an actuarial cost method that allocates the cost of benefits evenly over the participant's working life. The pension benefit obligation instead recognizes a relatively lower accumulated benefit at any time in a participant's working life and, therefore, gives the appearance of a better-funded system by deferring higher contributions until future years. It would, therefore, require higher future contribution rates. WRS's actual funding method is designed to avoid increasing contribution rates as the system matures.

The pension benefit obligation was determined as part of an actuarial valuation at December 31, 1992. Significant actuarial assumptions used include:

- a rate of return on the investment of present and future assets of 8.0 percent per year compounded annually;
- projected salary increases of 5.6 percent per year compounded annually, attributable to inflation;
- additional projected salary increases ranging from 0.0 percent to 8.0 percent per year, depending on age and type of employment, attributable to seniority/merit; and
- 2.9 percent annual post-retirement benefit increases.

The same actuarial assumptions are used for determining both the pension benefit obligation and the pension contribution requirements.

As of December 31, 1992, the assets in excess of pension benefit obligation were \$3,027.9 million, determined as follows:

Pension Benefit Obligation (in millions):	
Retirees and beneficiaries currently receiving benefits	\$ 8,991.0
Terminated employees not yet receiving benefits	873.8
Current employees:	
Accumulated employee contributions	6,450.6
Employer financed	<u>6,502.6</u>
Total Pension Benefit Obligation	22,818.0
Net Assets Available for Benefits	\$ <u>25,845.9</u>
Assets in Excess of Pension Benefit Obligation	<u>\$ 3,027.9</u>

During the year ended December 31, 1992, the plan experienced a net increase of \$1,944.0 million in the pension benefit obligation.

Ten-year historical trend information designed to provide information about WRS's progress in accumulating sufficient assets to pay benefits when due is presented at the conclusion of these notes.

## 6. Contingencies

Wisconsin Act 27, Laws of 1987, authorized the transfer of \$230 million from the Transaction Amortization Accounts to the reserves of the FRIT. This amount was distributed to the various reserves based on the ratio of each reserve to the total assets of the FRIT. The transfer to the Fixed Employer Accumulation Reserve and the Fixed Employee Accumulation Reserve was considered by the actuary in setting calendar year 1988 contribution rates. The transfer to the Fixed Employee Accumulation Reserve was credited to participant accounts in accordance with normal interest

crediting procedures. The transfer to the Fixed Annuity Reserve was used for a "Special Performance Dividend" to those participants then receiving a supplemental benefit under ss. 40.27(1) and (1m), Wis. Stats. If an annuitant's special performance dividend was equal to or greater than the previous supplemental benefit, the supplemental benefit was eliminated. If the special performance dividend was less than the supplemental benefit, the supplemental benefit was reduced by the amount of the special performance dividend. In a lawsuit brought by certain employe and annuitant groups, a circuit court ruled July 29, 1991, that the distribution of the special performance dividend was unconstitutional. The remedy ordered by the circuit court on November 19, 1993, would require the State to compensate those annuitants who did not receive the Special Performance Dividend. No trust fund dollars would be used for the remedy. The defendants, including the Department and the Employe Trust Funds Board, have appealed the circuit court decision and orders. The appeals are pending.

1989 Wisconsin Act 13, effective May 16, 1989, required that all future increases or decreases in contribution rates be shared equally by employes and employers. The ninth annual actuarial valuation of the Wisconsin Retirement System, dated September 14, 1990, recommended 1991 contribution rates be increased by 0.2 percent for general employes (including teachers). A significant factor in the increase was the correction of an error in the creditable service used by the actuary in previous valuations. The Employe Trust Funds Board accepted the actuary's recommendations and split the increase equally between employes and employers. An employe group has brought suit challenging the applicability of 1989 Wisconsin Act 13 to this contribution rate increase. The court issued a memorandum decision on January 10, 1994, dismissing the lawsuit. The plaintiffs' request for reconsideration of the decision was denied on May 10, 1994.

## 7. Public Entity Risk Pools

The Department of Employee Trust Funds operates four public entity risk pools: group health insurance, group income continuation insurance, protective occupation duty disability insurance (Duty Disability), and long-term disability insurance (LTDI). In accordance with GASB Statement 10, these funds are accounted for as enterprise funds.

### Group Health Insurance

The Health Insurance fund offers group health insurance for current and retired employes of state government and of participating local public employers. All public employers in the state are eligible to participate. The State and 112 local employers currently participate. The fund includes a self-insured fee-for-service plan, as well as various prepaid plans, primarily health maintenance organizations.

Following is a summary of the activity and changes in retained earnings for these individual risk pools within the Health Insurance fund during 1992 (in thousands):

	State	Local	Local Annuitants	Total
Investment Income	\$1,517.4	\$194.3	\$0.4	\$1,712.1
Insurance Premiums	254,852.1	24,653.5	413.4	279,919.0
Sick Leave Conversion	20,994.4	0.0	0.0	20,994.4
Miscellaneous Income	0.0	0.1	0.0	0.1
<b>Total Revenues</b>	<b>277,363.9</b>	<b>24,847.9</b>	<b>413.8</b>	<b>302,625.6</b>
Benefit Expense	58,286.8	6,920.5	0.0	65,207.3
Premiums	201,902.4	16,601.3	411.1	218,914.8
Carrier Administration	1,320.8	231.4	0.0	1,552.2
ETF Administration	942.1	84.2	4.1	1,030.4
Interest Expense	172.0	25.5	0.0	197.5
<b>Total Expenses</b>	<b>262,624.1</b>	<b>23,862.9</b>	<b>415.2</b>	<b>286,902.2</b>
<b>Net Income</b>	<b>14,739.8</b>	<b>985.0</b>	<b>(1.4)</b>	<b>15,723.4</b>
January 1, 1992 Retained Earnings	2,668.3	709.9	6.8	3,385.0
December 31, 1992 Retained Earnings	<u>\$ 17,408.1</u>	<u>\$ 1,694.9</u>	<u>\$ 5.4</u>	<u>\$ 19,108.4</u>



### **Group Income Continuation Insurance**

The Income Continuation Insurance fund offers both long-term and short-term disability benefits (up to 75 percent of gross salary) for current employees of state government and of participating local public employers. All public employers in the state are eligible to participate. Forty-seven local employers plus the State currently participate. The plan is self-insured.

Following is a summary of the activity and changes in retained earnings for these individual risk pools within the Income Continuation Insurance fund during 1992 (in thousands):

	State	Local	Total
Investment Income	\$ 4,792.9	\$ 91.8	\$ 4,884.7
Market Value Adjustments	409.9	10.3	420.2
Contributions	0.0	455.5	455.5
Miscellaneous Income	0.0	0.1	0.1
<b>Total Revenues</b>	<b>5,202.8</b>	<b>557.7</b>	<b>5,760.5</b>
Benefit Expense	8,686.5	165.7	8,852.2
Carrier Administration	284.0	4.9	288.9
ETF Administration	248.2	11.4	259.6
<b>Total Expenses</b>	<b>9,218.7</b>	<b>182.0</b>	<b>9,400.7</b>
<b>Revenues over Expenses</b>	<b>(4,015.9)</b>	<b>375.7</b>	<b>(3,640.2)</b>
January 1, 1992 Retained Earnings	34,128.1	557.0	34,685.1
December 31, 1992 Retained Earnings	<u>\$ 30,112.2</u>	<u>\$ 932.7</u>	<u>\$ 31,044.9</u>

As a result of favorable investment experience and actuarial gains, the Income Continuation Insurance program accumulated sufficient assets to allow the Group Insurance Board in April 1988 to suspend collection of premiums. The premium holiday has been extended through June 1994.

### **Duty Disability**

The Duty Disability fund offers special disability insurance for state and local

Wisconsin Retirement System (WRS) participants in protective occupations. Participation in the program is mandatory for all WRS employers with protective occupation employees. The State and 376 local employers currently participate. The plan is self-insured, and risk is shared between the State and local portions of the plan.

The Duty Disability program is intended to compensate WRS protective category employees for duty-related disabilities. Benefits are payable for duty-related injuries or diseases that are likely to be permanent and that cause the employee to retire or accept reduced pay or a light-duty assignment, or impair the employee's promotional opportunities.

All contributions are employer-paid. Contributions are based on a graduated, experience-rated formula. During 1992, contribution rates ranged from 1.0 percent to 6.3 percent of salaries based on employer experience.

During the program's initial years, contributions did not keep pace with benefits, resulting in both an accounting and a cash deficit. The Employee Trust Funds Board has increased contribution rates annually since 1985 and has implemented an experience-rated system to encourage employers to oppose frivolous claims against the program. After 1987 legislation (1987 Wisconsin Act 363) broadened the Department's authority for experience-rated contribution collection and modified the benefit structure, a new rate structure was enacted that is expected to retire the cash deficit, including interest, by the end of 1994. The accounting deficit is being amortized over a 35-year period beginning in 1993.

The cash deficit has been covered for the Duty Disability program by an inter-fund loan from the FRIT; the balance of the loan on December 31, 1992, is \$3,760,703. Interest is charged on the inter-fund loan at the full effective earnings rate of the FRIT.

### ***Long-Term Disability Insurance***

Effective October 15, 1992, the Group Insurance Board established the long-term disability insurance (LTDI) program as an alternative to the long-term disability coverage provided through WRS. The Employe Trust Funds Board purchases disability coverage from the Group Insurance Board for WRS participants.

Participants who were covered by WRS prior to October 15, 1992, have the option to select disability benefits from LTDI or WRS at the time of disability. New WRS participants on or after October 15, 1992, are eligible only for LTDI disability benefits.

A LTDI benefit replaces 40% of the disabled participant's final average earnings until normal retirement age, or a minimum of five years. It also provides for additional annual contributions to the participant's WRS account equal to 5 percent of the participant's final average earnings. At normal retirement age, or after a minimum of five years of LTDI benefits, the LTDI benefit terminates and the participant is eligible for a WRS retirement benefit.

WRS pays actuarially determined premiums to the Group Insurance Board for LTDI coverage. The premium rates, as a percentage of WRS covered payroll, in effect for 1992 were:

General	0.47%
Executive and Elected	0.82%
Protective with Social Security	0.53%
Protective without Social Security	0.64%

As of December 31, 1992, no benefits had been approved in the LTDI program. Accordingly, no liability for future benefit payments has been calculated for 1992.

### ***Public Entity Risk Pool Accounting Policies***

1. **Basis of Accounting:** All public entity risk pools are accounted for in enterprise funds using the full accrual basis of accounting and the flow of economic resources measurement focus.

2. **Valuation of Investments:** Assets of the Health Insurance fund are invested in the State Investment Fund. Investments are valued at cost, which approximates market value.

Assets of the Income Continuation Insurance, Duty Disability, and Long-Term Disability Insurance funds are invested in the Fixed Retirement Investment Trust. Investments are valued at current market, which approximates amortized cost.

3. **Unpaid Claims Liabilities:** The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The estimate includes the effects of inflation and other societal and economic factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Unpaid claims liability is presented at face value and is not discounted for Health Insurance. These liabilities are discounted using interest rates of 8 percent and 5 percent for the Income Continuation Insurance and Duty Disability programs, respectively. The unpaid claims liability for Health Insurance was calculated by the Department. The liabilities for Income Continuation Insurance and Duty Disability were determined by actuarial methods.

4. **Administrative Expenses:** All maintenance expenses are expensed in the period in which they are incurred. Acquisition costs are immaterial and are treated as maintenance expenses. Claim adjustment expenses are also immaterial.

5. **Reinsurance:** Health insurance plans provided by health maintenance organizations and health insurance for local government annuitants are fully insured by outside insurers. All remaining risk is self-insured with no reinsurance coverage.

6. **Risk Transfer:** Participating employers are not subject to supplemental assessments in the event of deficiencies. If the assets of a fund were exhausted, participating employers would not be responsible for the fund's liabilities.

7. **Premium Setting:** Premiums are established by the Group Insurance Board (Health Insurance, Income Continuation Insurance, and Long-Term Disability Insurance) and the Employe Trust Funds Board (Duty Disability) in consultation with actuaries.

8. **Statutory Authority:** All programs are operated under the authority of Ch. 40, Wis. Stats.

### Unpaid Claims Liabilities

As discussed previously, each fund establishes a liability for both reported and unreported insured events, which is an estimate of future payments of losses. The following represents changes in those aggregate liabilities (in millions) for each fund during the past two years. The amounts for Health Insurance include only the portion of the program that is self-insured.

	Health Insurance		Income Continuation Insurance		Duty Disability	
	1992	1991	1992	1991	1992	1991
Unpaid claims at beginning of the calendar year	\$ 12.4	\$ 11.1	\$ 28.8	\$ 40.1	\$ 89.4	\$ 84.7
Incurred claims:						
Provision for insured events of the current calendar year	65.3	66.8	13.5	13.5	8.5	6.1
Changes in provision for insured events of prior calendar years	(0.1)	0.7	(4.6)	(19.1)	19.2	6.8
Total incurred claims	65.2	67.5	8.9	(5.6)	27.7	12.9
Payments:						
Claims attributable to insured events of the current calendar year	53.3	54.4	2.0	1.9	0.4	0.3
Claims attributable to insured events of prior calendar years	12.2	11.8	4.3	3.8	8.9	7.9
Total payments	65.5	66.2	6.3	5.7	9.3	8.2
Total unpaid claims at end of the calendar year	\$ 12.1	\$ 12.4	\$ 31.4	\$ 28.8	\$ 107.8	\$ 89.4

## **8. Description of Expendable Trust and Agency Funds**

The Department of Employee Trust Funds also administers the State's Accumulated Sick Leave Conversion Credit program, the Employee Reimbursement Accounts program, the Group Life Insurance program, Public Employee Social Security, Deferred Compensation, and the City of Milwaukee Retirement System Investment in the FRIT. These programs are administered in accordance with Ch. 40, Wis. Stats.

### **Accumulated Sick Leave Conversion Credit Program**

In accordance with Ch. 40, Wis. Stats., the State provides that employees retiring and beginning an immediate annuity are eligible for conversion of unused sick leave to post-retirement health insurance. At the time of an employee's death or eligibility for an immediate annuity, that employee's accumulated unused sick leave balance may be converted at the employee's current rate of pay to credits for the payment of health insurance premiums for the employee and/or the employee's surviving dependents. Health insurance premiums are paid on the behalf of the employee, until the sick leave conversion credits are exhausted. At that time, the employee has the option to continue coverage by paying the total cost of the premiums. Approximately 6,500 annuitants are currently receiving health insurance coverage through sick leave conversion credits. Accumulated sick leave conversion is pre-funded based on an actuarially determined percentage of payroll.

The actuarial valuation is based on the entry age actuarial cost method. Significant actuarial assumptions include an 8 percent assumed interest rate, 5.6 percent assumed annual salary growth, and an average sick leave accumulation of 6.2 days per year for state employees and 8.3 days per year for university employees. The accrued liability for the post retirement health insurance benefits at December 31, 1992, determined through an actuarial valuation performed

on that date, was \$509 million. The program's assets on that date were \$121.6 million, leaving an unfunded liability of \$387.4 million.

The required and actual contributions totaled \$39.8 million during 1992.

### **Employee Reimbursement Accounts Program**

The Employee Reimbursement Accounts program, authorized by Internal Revenue Code Section 125, allows participants to contribute pre-tax earnings to an account to be used to pay eligible dependent care and medical expenses.

The Department contracts with a third-party administrator to provide administrative services, including participant accounting and claims processing, for the program. Contributions are withheld from participant payrolls and remitted by the employer to the Department. The funds are invested by SWIB in the State's short-term investment pool. Funds are transferred to the third-party administrator as needed for reimbursement of expenses to plan participants.

Administrative costs of the program are funded from the employers' social security savings on amounts contributed to the accounts by employees, along with interest earned on the fund balance and forfeitures from unclaimed contributions.

### **Group Life Insurance**

The Life Insurance Fund offers group life insurance for current and retired employees of state government and of participating local public employers. All public employers in the state are eligible to participate. The State and 495 local employers currently participate. The plan is fully insured by an independent insurer.

Basic coverage is based on employee annual earnings for the prior calendar year (as reported to WRS) rounded to the next highest thousand dollars. Supplemental and additional life insurance are also offered. State employees pay contributions to cover the entire cost of the additional plan during active employment and a

portion of the basic and supplemental plans. The State paid an amount equal to 33 percent of the total premiums for basic and supplemental coverage in 1992. The State's share finances the cost of insurance after retirement plus a portion of the basic and supplemental plans. Local employers submit their contributions directly to the insurance carrier.

As of December 31, 1992, the following reserves (in millions) had been accumulated to fund the liabilities of the program. All reserves are held by the insurer.

	State of Wisconsin Plan	Wisconsin Municipal Plan
<b>Reserves:</b>		
Premium Deposit Fund	\$ 106.2	\$ 41.5
Contingent Liability Reserve	55.1	51.7
Disability Claim Reserve	6.5	5.0
<b>Total Reserves</b>	<b>167.8</b>	<b>98.2</b>
<b>Liabilities:</b>		
Retired Lives	58.9	31.5
Active Lives	102.9	82.0
Disability Claims	6.5	5.0
<b>Total Liabilities</b>	<b>168.3</b>	<b>118.5</b>
<b>Unfunded Accrued Liability</b>	<b>\$ (0.5)</b>	<b>\$ (20.3)</b>

The Life Insurance Fund also includes a Group Spouse and Dependent Life Insurance program for state and local government employees. Unless the employer provides otherwise, the entire cost of this program is financed by the employee, who pays a premium of \$2 monthly. Basic coverage provides a benefit of \$7,500 for the death of a spouse and \$3,750 for the death of a dependent. An optional second coverage level pays an additional \$7,500 on the death of a spouse and \$3,750 on the death of a dependant at a cost of an additional \$2 monthly.

Contribution rates are set at a level sufficient to pay anticipated claims incurred during the year. No actuarial liability has been calculated for the plan as of the balance sheet date. The reserves for the Spouse and Dependent plan as of 1992 year-end are as follows:

State of Wisconsin Plan	\$ 750,861
Wisconsin Municipal Plan	273,030

In the event of termination of the current group life insurance contract, the insurer would retain liability for benefits for all retired employees and those disabled employees under a waiver of premium. The insurer would retain assets equal to the Retired Lives Reserve and the Disability Claim Reserve. All remaining assets would revert to the Group Insurance Board in a series of installments.

In accordance with Ch. 40, Wis. Stats., the State provides post-retirement life insurance to employees retiring before age 65 if they 1) have 20 years of creditable service, and 2) are eligible for a retirement annuity. This coverage is at the employee's expense (employee must pay the full premium) until age 65, when reduced coverage is provided at no cost. Employees retiring at or after age 65 are immediately eligible for reduced coverage at no cost. Beginning in the month in which an insured annuitant reaches age 65, premiums are no longer collected and coverage is continued for life. Approximately 9,600 annuitants currently qualify for coverage without premium. Post-retirement life insurance is fully insured by the State's life insurance carrier; premiums are pre-funded with employer-paid premiums during the employee's active career. The amount of premiums is determined by the insurer. The accrued liability and assets specifically related to post-employment benefits could not be determined.

The required and actual contributions totaled \$3.0 million during 1992.

### ***Deferred Compensation***

A Deferred Compensation plan, created in accordance with Internal Revenue Code Section 457, is available to all state employees and employees of local public employers who have chosen to participate. The plan permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, death, or unforeseeable emergency.

The Department of Employee Trust Funds contracts with an independent agent to administer the plan. Employers remit employee contributions directly to the administrative agent. The administrative agent transmits the contributions to one or more investment vehicles selected by the employee. All records detailing the contributions, earnings, and balance on deposit for individual participants are maintained by the administrative agent.

The Deferred Compensation plan is operated under Section 457 of the Internal Revenue Code. The deferred amounts legally are the property of the employer, although the funds have been earned by the employee and represent a portion of the employee's gross salary. Legal rights to the plan assets do not vest with the employee until certain eligibility criteria (termination, retirement, death, or unforeseeable emergency) have been met. Prior to vesting, the deferred amounts remain the sole property of the State and are subject to the claims of the State's general creditors. While the State does not have liability for losses under the plan, the State does have the duty of due care that would be required of an ordinary prudent investor and to administer the plan in good faith.

Of the \$268,437,930 in the plan as of December 31, 1992, \$230,503,958 were applicable to the State, while the remaining \$37,933,972 represent the assets of the local governments participating in the plan.

### ***Social Security***

In accordance with s. 218 of the Federal Social Security Laws, the State entered into an agreement with the federal Department of Health and Human Services whereby the State underwrites and guarantees the payment of all public employer and employee social security contributions of personnel whose services are covered by the agreement. This agreement was amended effective January 1, 1987, to eliminate the Department's role in collecting contributions, at which time public employers began remitting contributions directly to the Social Security Administration. The Department remains the guarantor for local government payment of social security contributions.

### ***City of Milwaukee Employee's Retirement System***

As authorized by s. 40.03(1)(n), Wis. Stats., the City of Milwaukee Public Employee Retirement System has elected to have funds invested by SWIB as part of the FRIT. These monies are accounted for separately from WRS as an agency fund. The City of Milwaukee is charged a fee by the Department for investing and administering its retirement monies.

*Wisconsin Retirement System  
Required Supplementary Information  
Revenues by Source and Expenses by Type  
(in thousands of dollars)*

REVENUES BY SOURCE

Fiscal Year	Employee (1.3) Contributions	% of Payroll	Employer (2.3) Contributions	% of Payroll	Investment Income	Other Income	Total Revenues
1983	\$192,564	5.2	\$282,729	7.7	\$870,279	\$21	\$1,345,593
1984	199,367	5.2	278,086	7.3	783,783	89	1,261,325
1985	214,103	5.2	295,864	7.2	1,349,407	60	1,859,434
1986	231,342	5.3	364,236	8.3	1,239,925	73	1,835,576
1987	244,052	5.3	365,714	7.9	1,225,175	226	1,835,167
1988	259,173	5.4	378,985	7.9	2,632,059 (4)	569	3,270,786
1989	272,796	5.3	395,223	7.6	3,320,496	161	3,988,676
1990	294,584	5.4	426,411	7.9	(538,367)	172	182,800
1991	313,981	5.4	465,113	7.9	4,161,015	94	4,940,203
1992	337,668	5.2	503,231	7.8	2,232,661	113	3,073,673

EXPENSES BY TYPE

Fiscal Year	Retirement, Disability & Death Benefits	Separation Benefits (Refunds)	Administrative Expense	Other Expenses	Total Expenses
1983	\$214,608	\$27,009	\$3,303	\$59	\$244,979
1984	254,357	33,881	2,279	87	290,604
1985	298,212	32,549	2,901	57	333,719
1986	356,727	31,763	5,901	69	394,460
1987	419,294	29,900	6,670	237	456,101
1988	492,271	33,983	4,187	570	531,011
1989	555,145	28,038	10,349	147	593,679
1990	691,576	32,501	6,366	135	730,578
1991	764,600	27,536	7,552	0	799,688
1992	829,701	25,725	7,651	0	863,077

- (1) Employee Contributions include all employee required and employee additional contributions, including those amounts paid by the employer on behalf of the employee.
- (2) Beginning in 1986, Employer Contributions include all benefit adjustment contributions, including those amounts paid by the employee.
- (3) Employee required contributions were made in accordance with statutory requirements. Employer required contributions were made in accordance with actuarially determined contribution requirements.
- (4) Beginning in 1988, Investment Income and Total Revenues reflect an accounting change in the valuation of investments to current market value.

**Wisconsin Retirement System**  
**Required Supplementary Information**  
**Analysis of Funding Progress**  
*(in millions of dollars)*

Calendar Year	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded (1)/(2)	(4) Unfunded Pension Benefit Obligation (PBO) (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded PBO as Percentage of Covered Payroll (4)/(5)
1986	\$11,648.5	\$11,759.4	99.1%	\$110.9	\$4,401.2	2.5%
1987	13,025.9	13,071.2	99.7	45.3	4,636.6	1.0
1988	16,645.8(B)	14,894.2(A)	111.8	(1,751.6)	4,779.7	(36.6)
1989	20,040.5	17,549.0	114.2	(2,491.5)	5,175.4	(48.1)
1990	19,756.2	18,726.0	105.5	(1,030.2)	5,425.7	(19.0)
1991	23,633.5	20,874.0	113.2	(2,759.5)	5,865.5	(47.1)
1992	25,845.9	22,818.0	113.3	(3,027.9)	6,472.3	(46.8)

Analysis of the dollar amounts of Net Assets Available for Benefits, Pension Benefit Obligation, and Unfunded Pension Benefit Obligation in isolation can be misleading. Expressing the Net Assets Available for Benefits as a percentage of the Pension Benefit Obligation provides one indication of the plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker.

Generally, the greater this percentage, the stronger the Public Employee Retirement System. Trends in Unfunded Pension Benefit Obligation as a Percentage of Annual Covered Payroll approximately adjust for the effects of inflation and aid analysis of the plan's progress made accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Retirement System. See Note 5 for further explanation of the Pension Benefit Obligation.

(A) The December 31, 1988, Pension Benefit Obligation includes the net liabilities created by the early retirement and other benefit provisions from 1989 Wisconsin Act 13, effective May 16, 1989. The net assets available for benefits do not include a \$500 million recognition of deferred market gains, which was authorized by Act 13 to offset the increased benefit costs but did not take place until June 1989.

(B) Beginning in 1988, the net assets available for benefits reflect an accounting change in the valuation of investments to current market value.



**Required Supplementary Information**  
**Public Entity Risk Pools**  
**Claims Development Information**  
*(in millions of dollars)*

<b>Health Insurance – Calendar and Policy Year Ended</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>
1. Net earned required contributions and investment revenues	\$70.8	\$78.0	\$83.7
2. Unallocated expenses	3.3	2.4	2.8
3. Estimated incurred claims as of end of policy year	58.5	66.8	65.3
4. Paid (cumulative) as of:			
End of policy year	47.4	54.4	53.3
One year later	59.2	66.8	
Two years later	59.2		
5. Reestimated incurred claims:			
End of policy year	58.5	66.8	65.3
One year later	59.2	66.8	
Two years later	59.2		
6. Increase (decrease) in estimated incurred claims from end of policy year	0.7	0.0	
<b>Income Continuation Insurance – Calendar and Policy Year Ended</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>
1. Net earned required contributions and investment revenues	\$0.7	\$10.5	\$5.8
2. Unallocated expenses	0.3	0.5	0.5
3. Estimated incurred claims as of end of policy year	16.4	13.5	13.5
4. Paid (cumulative) as of:			
End of policy year	1.6	1.8	2.0
One year later	3.4	3.7	
Two years later	4.1		
5. Reestimated incurred claims:			
End of policy year	16.4	13.5	13.5
One year later	8.8	9.6	
Two years later	8.0		
6. Increase (decrease) in estimated incurred claims from end of policy year	(8.4)	(3.9)	
<b>Duty Disability Insurance – Calendar and Policy Year Ended</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>
1. Net earned required contributions and investment revenues	\$9.1	\$10.7	\$12.0
2. Unallocated expenses	1.3	0.1	0.5
3. Estimated incurred claims as of end of policy year	21.2	6.1	8.4
4. Paid (cumulative) as of:			
End of policy year	0.3	0.3	0.4
One year later	1.1	1.0	
Two years later	1.8		
5. Reestimated incurred claims:			
End of policy year	21.2	6.1	8.4
One year later	9.8	10.9	
Two years later	11.1		
6. Increase (decrease) in estimated incurred claims from end of policy year	(10.1)	4.8	

The tables above illustrate how the funds' earned revenues and investment income compare to related costs of loss assumed by the fund as of the end of each of the last ten years. The rows of the tables are defined as follows:

- Net earned required contributions and investment revenues:** total of each calendar year's earned contribution and investment revenues.
- Unallocated expenses:** each calendar year's other operating costs of the fund, including overhead and claims expenses not allocable to individual claims.
- Estimated incurred claims as of the end of the policy year:** the fund's incurred claims as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (referred to as a policy year).
- Paid (cumulative):** the cumulative amount paid as of the end of successive years for each policy year.
- Reestimated incurred claims:** each policy year's incurred claims as reestimated at the end of each successive policy year. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
- Increase (decrease) in estimated incurred claims from end of policy year:** comparison of the latest reestimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years. Data for calendar and policy years prior to 1990 are not available.

Wisconsin Department of Employee Trust Funds  
 Combining Balance Sheet  
 Pension Trust Funds  
 December 31, 1992

	Fixed Trust	Variable Trust	Special Death Benefit	Police & Fire s. 62.13	Totals
					December 31, 1992
<b>Assets</b>					December 31, 1991
Cash and cash equivalents	\$ 317,902,618	\$ 180,181,021	\$ 794,980	\$ 99,414,869	\$ 598,293,488
Investments	22,099,942,933	3,121,784,481	0	0	25,221,727,414
Contributions receivable	96,463,098	3,029,178	0	788,421	100,280,697
Benefit overpayments receivable	900,996	88,150	0	0	989,146
Miscellaneous receivables	34,187	3,818,800	0	0	3,852,987
Prepaid expenses	0	0	0	0	0
Due from other funds	6,633,424	3,372,570	0	0	10,005,994
<b>Total Assets</b>	<b>\$ 22,521,877,256</b>	<b>\$ 3,312,274,200</b>	<b>\$ 794,980</b>	<b>\$ 100,203,290</b>	<b>\$ 25,935,149,726</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Annuities payable	\$ 60,935,777	\$ 9,440,781	\$ 0	\$ 1,252,518	\$ 71,629,076
Advance contributions	0	0	0	518,847	518,847
Administrative expense payable	3,319,122	459,726	17,047	1,062	3,796,957
Miscellaneous payables	7,393,582	438	0	0	7,394,020
Due to other funds	3,372,570	1,801,745	0	0	5,174,315
<b>Total Liabilities</b>	<b>75,021,051</b>	<b>11,702,690</b>	<b>17,047</b>	<b>1,772,427</b>	<b>88,513,215</b>
<b>Fund Balances:</b>					
Reserve for employer contributions	7,873,244,410	1,018,142,262	0	975,034	8,892,361,706
Unfunded actuarial accrued liability	-1,984,865,453	0	0	(56,622,353)	(2,041,487,806)
Reserve for employer contributions (net)	5,888,378,957	1,018,142,262	0	(55,647,319)	6,850,873,900
Reserve for employee contributions	5,875,088,500	1,018,142,262	654,023	0	6,893,884,785
Reserve for additional contributions	83,790,178	51,193,197	0	0	134,983,375
Reserve for annuities	7,640,804,524	1,208,272,838	0	138,254,407	8,987,331,769
Reserve for undistributed earnings	18,035,544	4,820,951	0	0	22,856,495
Reserve for market value adjustments	2,940,758,502	0	123,910	15,823,775	2,956,706,187
<b>Total Fund Balances</b>	<b>22,446,856,205</b>	<b>3,300,571,510</b>	<b>777,933</b>	<b>98,430,863</b>	<b>25,846,636,511</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 22,521,877,256</b>	<b>\$ 3,312,274,200</b>	<b>\$ 794,980</b>	<b>\$ 100,203,290</b>	<b>\$ 25,935,149,726</b>
					<b>\$ 23,725,582,227</b>

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Revenues, Expenses, and Changes in Fund Balances  
Pension Trust Funds  
for Year Ended December 31, 1992*

	Fixed Trust	Variable Trust	Special Death Benefit	Police & Fire s. 62.13	Totals December 31, 1992	December 31, 1991
<b>Operating Revenues</b>						
Investment income	\$ 1,911,474,729	\$ 321,186,049	\$ 65,540	\$ 10,540,776	\$ 2,243,267,094	\$ 4,161,015,067
Employer contributions	480,514,434	22,297,942	0	6,179,334	508,991,710	464,834,199
Employe contributions	307,502,860	22,297,942	0	0	329,800,802	307,748,100
Employer contributions - early retirement	43,846	0	0	0	43,846	27,053
Employer additional contributions	3,474,969	837,133	0	0	4,312,102	3,595,471
Employer additional contributions	334,229	40,610	0	0	374,839	251,980
Employe contributions - qualifying service	460,488	83,329	0	0	543,817	490,881
Employe contributions - forfeited service	2,762,961	248,486	0	0	3,011,447	2,146,387
<b>Total Revenues</b>	<u>2,706,568,516</u>	<u>366,991,491</u>	<u>65,540</u>	<u>16,720,110</u>	<u>3,090,345,657</u>	<u>4,940,109,138</u>
<b>Operating Expenses</b>						
Retirement annuities	655,321,126	103,255,149	0	13,846,315	772,422,590	700,079,081
Disability annuities	46,015,832	3,335,942	0	1,060,981	50,412,755	45,924,103
Beneficiary annuities	4,505,459	1,054,407	0	66,873	5,626,739	5,554,656
Separation benefits	22,364,592	3,360,807	0	0	25,725,399	27,535,604
Retirement single-sum benefits	3,188,385	98,759	0	0	3,287,144	3,530,819
Death benefits	5,764,800	973,505	20,415	0	6,758,720	9,511,508
Disability insurance premiums	6,187,170	0	0	0	6,187,170	0
Administrative expense	6,634,105	1,016,935	19,442	20,707	7,691,189	7,552,588
<b>Total Expenses</b>	<u>749,981,469</u>	<u>113,095,504</u>	<u>39,857</u>	<u>14,994,876</u>	<u>878,111,706</u>	<u>799,688,359</u>
<b>Operating Income</b>	<u>1,956,587,047</u>	<u>253,895,987</u>	<u>25,683</u>	<u>1,725,234</u>	<u>2,212,233,951</u>	<u>4,140,420,779</u>
<b>Nonoperating Revenues</b>						
Miscellaneous income	112,714	0	0	0	112,714	93,646
<b>Net Income before Operating Transfers</b>	<u>1,956,699,761</u>	<u>253,895,987</u>	<u>25,683</u>	<u>1,725,234</u>	<u>2,212,346,665</u>	<u>4,140,514,425</u>
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	30,768,036	0	0	0	30,768,036	9,015,643
Operating transfers out	0	(30,697,059)	0	0	(30,697,059)	(8,931,020)
<b>Total Other Financing Sources (Uses)</b>	<u>30,768,036</u>	<u>(30,697,059)</u>	<u>0</u>	<u>0</u>	<u>70,977</u>	<u>84,623</u>
<b>Increase in Net Assets</b>	<u>1,987,467,797</u>	<u>223,198,928</u>	<u>25,683</u>	<u>1,725,234</u>	<u>2,212,417,642</u>	<u>4,140,599,048</u>
<b>Fund Balances - January 1</b>	<u>20,459,388,408</u>	<u>3,077,372,582</u>	<u>752,250</u>	<u>96,705,629</u>	<u>23,634,218,869</u>	<u>19,493,619,821</u>
<b>Fund Balances - December 31</b>	<u>\$ 22,446,856,205</u>	<u>\$ 3,300,571,510</u>	<u>\$ 777,933</u>	<u>\$ 98,430,863</u>	<u>\$ 25,846,636,511</u>	<u>\$ 23,634,218,869</u>

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Changes in Reserve Balances  
Pension Trust Funds - Fixed Trust Fund  
for Year Ended December 31, 1992*

	Employee Accumulation Reserve	Additional Accumulation Reserve	Employer Accumulation Reserve	Annuity Reserve	Undistributed Earnings	Market Value Adjustments	Totals December 31, 1992	Totals December 31, 1991
Beginning Balances January 1	\$5,337,660,324	\$79,143,632	\$5,261,911,823	\$6,999,079,894	\$11,531,995	\$2,770,060,740	\$20,459,388,408	\$16,940,817,016
<b>Revenues</b>								
Investment income	0	0	0	0	1,740,776,967	170,697,762	1,911,474,729	3,470,635,649
Employer contributions	0	334,229	480,558,280	0	0	0	480,892,509	436,351,912
Employee contributions	310,726,309	3,474,969	0	0	0	0	314,201,278	290,601,765
Miscellaneous receipts	0	0	1,766	0	110,948	0	112,714	121,196
<b>Total Revenues</b>	310,726,309	3,809,198	480,560,046	0	1,740,887,915	170,697,762	2,706,681,230	4,197,710,522
<b>Expenses</b>								
Retirement annuities	0	0	0	705,842,418	0	0	705,842,418	643,075,560
Separation benefits	18,813,119	3,551,473	0	0	0	0	22,364,592	24,473,996
Retirement single-sum benefits	1,331,896	10,118	1,846,371	0	0	0	3,188,385	3,421,263
Death benefits	4,337,079	308,834	1,118,886	0	0	0	5,764,799	8,068,421
Administrative expense	0	0	0	0	6,634,105	0	6,634,105	6,454,764
Miscellaneous expense	0	0	0	0	0	0	0	27,551
Disability Insurance Premiums	0	0	6,187,170	0	0	0	6,187,170	0
<b>Total Expenses</b>	24,482,094	3,870,425	9,152,427	705,842,418	6,634,105	0	749,981,469	685,521,555
<b>Transfers</b>								
Earnings allocation	493,289,447	7,431,374	550,065,295	677,035,121	-1,727,821,237	0	0	0
Annuities awarded	-249,712,561	-3,555,572	-406,327,428	659,595,561	0	0	0	0
Intra-fund transfers	708,579	88,487	2,750,577	-3,547,643	0	0	0	0
Inter-fund transfers	6,898,496	743,484	8,571,071	14,484,009	70,976	0	30,768,036	6,382,425
<b>Total Transfers</b>	251,183,961	4,707,773	155,059,515	1,347,567,048	-1,727,750,261	0	30,768,036	6,382,425
<b>Ending Balances December 31</b>	<b>\$5,875,088,500</b>	<b>\$89,790,178</b>	<b>\$5,888,378,957</b>	<b>\$7,640,804,524</b>	<b>\$18,035,544</b>	<b>\$2,940,758,502</b>	<b>\$22,446,856,205</b>	<b>\$20,459,388,408</b>

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Changes in Reserve Balances  
Pension Trust Funds - Variable Trust Fund  
for Year Ended December 31, 1992*

	Employee Accumulation Reserve	Additional Accumulation Reserve	Employer Accumulation Reserve	Annuity Reserve	Undistributed Earnings	Totals December 31, 1992	December 31, 1991
Beginning Balances January 1	\$ 959,547,361	\$ 49,896,920	\$ 959,547,361	\$ 1,101,275,943	\$ 7,104,997	\$ 3,077,372,582	\$ 2,467,841,761
<b>Revenues</b>							
Investment income	0	0	0	0	321,186,049	321,186,049	670,176,673
Employer contributions	0	40,610	22,297,942	0	0	22,338,552	22,405,991
Employee contributions	22,629,757	837,133	0	0	0	23,466,890	23,379,074
<b>Total Revenues</b>	<b>22,629,757</b>	<b>877,743</b>	<b>22,297,942</b>	<b>0</b>	<b>321,186,049</b>	<b>366,991,491</b>	<b>715,961,738</b>
<b>Expenses</b>							
Retirement annuities	0	0	0	107,645,498	0	107,645,498	94,484,283
Separation benefits	1,205,176	2,155,631	0	0	0	3,360,807	3,061,608
Retirement single-sum benefits	49,435	0	49,324	0	0	98,759	109,556
Death benefits	666,947	154,319	152,239	0	0	973,505	1,425,587
Administrative expense	0	0	0	0	1,016,935	1,016,935	1,052,081
<b>Total Expenses</b>	<b>1,921,558</b>	<b>2,309,950</b>	<b>201,563</b>	<b>107,645,498</b>	<b>1,016,935</b>	<b>113,095,504</b>	<b>100,133,115</b>
<b>Transfers</b>							
Earnings allocation	98,469,705	5,236,094	99,116,423	119,630,938	(322,453,160)	0	0
Annuities awarded	(53,928,801)	(1,755,811)	(54,063,463)	109,748,075	0	0	0
Intra-fund transfers	244,293	(8,315)	16,633	(252,611)	0	0	0
Inter-fund transfers	(6,898,495)	(743,484)	(8,571,071)	(14,484,009)	0	(30,697,059)	(6,297,802)
<b>Total Transfers</b>	<b>37,886,702</b>	<b>2,728,484</b>	<b>36,498,522</b>	<b>214,642,393</b>	<b>(322,453,160)</b>	<b>(30,697,059)</b>	<b>(6,297,802)</b>
<b>Ending Balances December 31</b>	<b>\$ 1,018,142,262</b>	<b>\$ 51,193,197</b>	<b>\$ 1,018,142,262</b>	<b>\$ 1,208,272,838</b>	<b>\$ 4,820,951</b>	<b>\$ 3,300,571,510</b>	<b>\$ 3,077,372,582</b>

*Statement 9*

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Changes in Reserve Balances  
Pension Trust Funds – s. 62.13 Police and Fire Plans  
for Year Ended December 31, 1992*

	Employer Reserve	Annuity Reserve	Market Value Adjustments	Totals	
	Beginning Balances January 1	December 31, 1992	December 31, 1991	December 31, 1992	December 31, 1991
<b>Revenues</b>					
Investment income	(2,886,974)	12,760,241	667,509	10,540,776	20,077,305
Employer contributions	6,179,334	0	0	6,179,334	6,355,330
Total Revenues	3,292,360	12,760,241	667,509	16,720,110	
26,432,635					
<b>Expenses</b>					
Retirement annuities	0	14,974,169	0	14,974,169	13,997,997
Administrative expense	20,707	0	0	20,707	38,809
Total Expenses	20,707	14,974,169	0	14,994,876	14,036,806
<b>Transfers</b>					
Annuities awarded	(1,044,787)	1,044,787	0	0	0
Ending Balances December 31	\$ (55,647,319)	\$ 138,254,407	\$ 15,823,775	\$ 98,430,863	\$ 96,705,629

**Wisconsin Department of Employee Trust Funds**  
**Combining Balance Sheet**  
**Enterprise Funds**  
**December 31, 1992**

**Statement 10**

	Health Insurance	Income Continuation Insurance	Long-Term Duty Disability	Disability Insurance	Totals December 31, 1992	December 31, 1991
<b>Assets</b>						
Cash and cash equivalents	\$ 40,070,551		\$ 0	\$ 6,304,895	\$ 108,628,170	\$ 69,600,864
Contributions receivable	2,882	300	1,178,755	0	1,181,937	985,289
Benefit overpayments receivable	0	520,013	0	0	520,013	339,575
Miscellaneous receivables	2,432,338	1,431	0	0	2,433,769	20,917,412
Prepaid expenses	13,880,672	92,174	0	0	13,972,846	12,671,230
Due from other funds	2,490,675	0	0	0	2,490,675	724,680
<b>Total Assets</b>	<b>\$ 58,877,118</b>	<b>\$ 62,866,642</b>	<b>\$ 1,178,755</b>	<b>\$ 6,304,895</b>	<b>\$ 129,227,410</b>	<b>\$ 105,239,050</b>
<b>Liabilities and Equity</b>						
<b>Liabilities:</b>						
Estimated future claims	\$ 12,059,964	\$ 31,431,463	\$ 107,808,353	\$ 0	\$ 151,299,780	\$ 130,657,068
Advance contributions	26,710,554	38,887	0	0	26,749,441	24,749,044
Miscellaneous payables	439,777	229,609	0	0	669,386	155,576
Administrative expense payable	707,980	121,756	52,023	0	881,759	0
Due to other funds	0	0	3,760,703	0	3,760,703	5,884,468
<b>Total Liabilities</b>	<b>39,918,275</b>	<b>31,821,715</b>	<b>111,621,079</b>	<b>0</b>	<b>183,361,069</b>	<b>161,446,156</b>
<b>Equity:</b>						
Retained earnings - unreserved	18,958,843	20,035,818	(110,442,324)	6,250,722	(65,196,941)	(66,795,996)
Reserved for market value adjustments	0	11,009,109	0	54,173	11,063,282	10,588,890
<b>Total Retained Earnings</b>	<b>18,958,843</b>	<b>31,044,927</b>	<b>(110,442,324)</b>	<b>6,304,895</b>	<b>(54,133,659)</b>	<b>(56,207,106)</b>
<b>Total Liabilities and Equity</b>	<b>\$ 58,877,118</b>	<b>\$ 62,866,642</b>	<b>\$ 1,178,755</b>	<b>\$ 6,304,895</b>	<b>\$ 129,227,410</b>	<b>\$ 105,239,050</b>

**Statement II**

**Wisconsin Department of Employee Trust Funds  
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings  
Enterprise Funds  
for Year Ended December 31, 1992**

	Health Insurance	Income Continuation Insurance	Duty Disability	Long-Term Disability Insurance	Totals December 31, 1992	December 31, 1991
<b>Operating Revenues</b>						
Investment income	\$ 1,712,070	\$ 5,304,882	\$ 0	\$ 117,725	\$ 7,134,677	\$ 12,428,202
Contributions	279,769,442	455,500	11,956,707	6,187,170	298,368,819	252,016,706
Total Revenues	<u>281,481,512</u>	<u>5,760,332</u>	<u>11,956,707</u>	<u>6,304,895</u>	<u>305,503,496</u>	<u>264,444,908</u>
<b>Operating Expenses</b>						
Insurance claims	65,207,288	8,852,124	0	0	74,059,412	61,858,408
Insurance premiums	218,914,844	0	0	0	218,914,844	183,926,841
Disability annuities	0	0	27,651,778	0	27,651,778	12,900,887
Carrier administrative expense	1,552,179	288,852	0	0	1,841,031	1,825,583
Administrative expense	1,030,463	259,674	120,461	0	1,410,598	1,003,497
Total Expenses	<u>286,704,774</u>	<u>9,400,650</u>	<u>27,772,239</u>	<u>0</u>	<u>323,877,663</u>	<u>281,515,216</u>
Operating Income (Loss)	<u>(5,223,262)</u>	<u>(3,640,268)</u>	<u>(15,815,532)</u>	<u>6,304,895</u>	<u>(18,374,167)</u>	<u>2,929,692</u>
<b>Nonoperating Revenue (Expense)</b>						
Miscellaneous income	135	76	0	0	211	959
Interest expense	(197,461)	0	(349,536)	0	(546,997)	(281,252)
Net Income (Loss) before Transfers	<u>(5,420,588)</u>	<u>(3,640,192)</u>	<u>(16,165,068)</u>	<u>6,304,895</u>	<u>(18,920,953)</u>	<u>2,649,399</u>
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	20,994,400	0	0	0	20,994,400	19,471,982
Net Income (Loss)	<u>15,573,812</u>	<u>(3,640,192)</u>	<u>(16,165,068)</u>	<u>6,304,895</u>	<u>2,073,447</u>	<u>22,121,381</u>
Retained Earnings - January 1	3,385,031	34,685,119	(94,277,256)	0	(56,207,106)	(78,328,487)
Retained Earnings - December 31	<u>\$ 18,958,843</u>	<u>\$ 31,044,927</u>	<u>\$ (110,442,324)</u>	<u>\$ 6,304,895</u>	<u>\$ (54,133,659)</u>	<u>\$ (56,207,106)</u>



## Statement 12

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Cash Flows  
Enterprise Funds for Year Ended December 31, 1992*

	Health Insurance	Income Continuation Insurance	Duty Disability	Long-Term Disability Insurance	Total December 31, 1992
<b>Cash Flows from Operating Activities</b>					
Cash received for insurance premiums	\$ 300,254,159	\$ 460,107	\$ 11,754,777	\$ 6,187,170	\$ 318,656,213
Cash paid for employee benefits	(285,808,035)	(6,119,297)	(9,161,015)	0	(301,088,347)
Cash paid for administrative services	(1,552,179)	(560,450)	(120,462)	0	(2,233,091)
Net cash provided by operating activities	12,893,945	(6,219,640)	2,473,300	6,187,170	15,334,775
<b>Cash Flows from Non-Capital Financing Activities</b>					
Interest paid on cash advances	(197,461)	0	(349,536)	0	(546,997)
Cash advances (repayments)	0	0	(2,123,764)	0	(2,123,764)
Interest on delinquent premiums	135	76	0	0	211
Operating transfers from other funds	19,228,404	0	0	0	19,228,404
Net cash provided by non-capital financing activities	19,031,078	76	(2,473,300)	0	16,557,854
Cash flows from investing activities					
Investment income	1,712,070	5,304,882	0	117,725	7,134,677
Net increase (decrease) in cash and cash equivalents	33,637,093	(914,682)	0	6,304,895	39,027,306
Cash and cash equivalents at beginning of year	6,433,458	63,167,406	0	0	69,600,864
Cash and cash equivalents at end of year	\$ 40,070,551	\$ 62,252,724	\$ 0	\$ 6,304,895	\$ 108,628,170
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>					
Operating income (loss)	\$ (5,223,262)	\$ (3,640,268)	\$ (15,815,532)	\$ 6,304,895	\$ (18,374,167)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Investment Income Classified as Operating Revenue	(1,712,070)	(5,304,882)	0	(117,725)	(7,134,677)
Changes in Assets and Liabilities:					
Increase (decrease) in contributions receivable	5,582	(300)	(201,930)	0	(196,648)
Increase in benefit overpayments receivable	0	(180,438)	0	0	(180,438)
Decrease in miscellaneous receivables	18,483,586	58	0	0	18,483,644
Decrease (increase) in prepaid expenses	(1,492,529)	122,475	68,438	0	(1,301,616)
Increase (decrease) in estimated future claims	(310,667)	2,583,078	18,370,301	0	20,642,712
Increase in advance contributions	1,995,548	4,849	0	0	2,000,397
Increase in miscellaneous payables	493,777	74,032	0	0	513,809
Increase in administrative expense payable	707,980	121,756	52,023	0	881,759
Total Adjustments	18,117,207	(2,579,372)	18,288,832	(117,725)	33,708,942
Net cash provided by operating activities	\$ 12,893,945	\$ (6,219,640)	\$ 2,473,300	\$ 6,187,170	\$ 15,334,775

Wisconsin Department of Employee Trust Funds  
 Combining Balance Sheet  
 Expendable Trust Funds  
 December 31, 1992

	Accumulated Sick Leave Conversion	Life Insurance	Employe Reimbursement Accounts	Totals
	December 31, 1992	December 31, 1992	December 31, 1992	December 31, 1991
<b>Assets:</b>				
Cash and cash equivalents	\$ 127,107,217	\$ 261,760	\$ 727,111	\$ 97,997,320
Contributions receivable	3,328,539	0	6,281	3,128,668
Benefit overpayments receivable	0	0	4,378	0
Miscellaneous receivables	0	109,674	164,457	1,223,352
Prepaid expenses	1,728,670	1,049,311	195,000	3,330,328
Due from other funds	0	0	236,110	0
<b>Total Assets</b>	<b>\$ 132,164,426</b>	<b>\$ 1,420,745</b>	<b>\$ 1,333,337</b>	<b>\$ 105,679,668</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Estimated future claims	\$ 0	\$ 0	\$ 993,601	\$ 606,493
Advance contributions	0	1,049,310	6,042	1,309,352
Miscellaneous payables	0	0	0	81,251
Administrative expense payable	35,480	107,775	25,929	0
Due to other funds	0	236,110	0	724,680
Administrative reimbursement advance	0	0	0	136,291
<b>Total Liabilities</b>	<b>35,480</b>	<b>1,393,195</b>	<b>1,025,572</b>	<b>2,858,067</b>
<b>Fund Balances:</b>				
Reserve for accumulated sick leave	121,531,067	0	0	92,809,614
Reserve for life insurance	0	27,550	0	145,178
Reserve for employe reimbursement accounts	0	0	307,765	222,100
Reserve for market value adjustments	10,597,879	0	0	9,644,709
<b>Total Fund Balances</b>	<b>132,128,946</b>	<b>27,550</b>	<b>307,765</b>	<b>102,821,601</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 132,164,426</b>	<b>\$ 1,420,745</b>	<b>\$ 1,333,337</b>	<b>\$ 105,679,668</b>

## Statement 14

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Expendable Trust Funds  
for Year Ended December 31, 1992*

	Accumulated Sick Leave Conversion	Life Insurance	Employment Reimbursement Accounts	Totals
	December 31, 1992	December 31, 1992	December 31, 1992	December 31, 1991
<b>Revenues</b>				
Investment income	\$ 10,980,236	\$ 9,849	\$ 58,620	\$ 17,086,012
Contributions	39,769,789	12,792,777	7,831,728	55,961,776
Administrative expense reimbursement	0	136,291	0	318,553
Miscellaneous receipts	0	1,323	0	1,215
<b>Total Revenues</b>	<u>50,750,025</u>	<u>12,940,240</u>	<u>7,890,348</u>	<u>73,367,556</u>
<b>Expenditures</b>				
Insurance claims	0	0	7,354,179	6,270,744
Insurance premiums	0	12,792,925	0	13,019,969
Carrier administrative expenditures	0	0	365,637	386,958
Administrative expenditures	81,002	264,943	84,867	525,394
<b>Total Expenditures</b>	<u>81,002</u>	<u>13,057,868</u>	<u>7,804,683</u>	<u>20,203,065</u>
<b>Other Financing Uses</b>				
Operating transfers out	(20,994,400)	0	0	(19,471,982)
<b>Increase in Net Assets</b>	<u>29,674,623</u>	<u>(117,628)</u>	<u>85,665</u>	<u>33,692,509</u>
<b>Fund Balances - January 1</b>	<u>102,454,323</u>	<u>145,178</u>	<u>222,100</u>	<u>69,129,092</u>
<b>Fund Balances - December 31</b>	<u>\$ 132,128,946</u>	<u>\$ 27,550</u>	<u>\$ 307,765</u>	<u>\$ 102,821,601</u>

Wisconsin Department of Employee Trust Funds  
 Combining Balance Sheet  
 All Agency Funds  
 December 31, 1992

	Social Security	Deferred Compensation	City of Milwaukee Retirement	Totals
	December 31, 1992	December 31, 1992	December 31, 1992	December 31, 1991
<b>Assets</b>				
Cash and cash equivalents	\$ 1,080,975	\$ 2,528	\$ 256,178,079	\$ 235,428,905
Investments	0	268,188,127	0	239,169,317
Contributions receivable	0	207,570	0	103,066
Miscellaneous receivables	0	0	0	104,507
Administrative reimbursement receivable	0	39,705	0	237,106
Prepaid expenses	0	0	0	14,854
<b>Total Assets</b>	<u>\$ 1,080,975</u>	<u>\$ 268,437,930</u>	<u>\$ 256,178,079</u>	<u>\$ 475,057,755</u>
<b>Liabilities</b>				
Deferred compensation payable	\$ 0	\$ 268,398,225	\$ 0	\$ 239,281,058
Administrative expense payable	9,999	39,705	0	267,537
Due to City of Milwaukee retirement	0	0	256,177,446	234,147,224
Due to other funds	1,070,976	0	0	1,292,239
Estimated interest penalty payable	0	0	0	64,068
Miscellaneous payables	0	0	633	5,629
<b>Total Liabilities</b>	<u>\$ 1,080,975</u>	<u>\$ 268,437,930</u>	<u>\$ 256,178,079</u>	<u>\$ 475,057,755</u>

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
for Year Ended December 31, 1992*

*Statement 16*

	Balance January 1, 1992	Additions	Deductions	Balance December 31, 1992
<b>SOCIAL SECURITY</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,241,017	\$ 190,338	\$ 350,380	\$ 1,080,975
Miscellaneous receivables	104,507	0	104,507	0
Prepaid expenses	14,854	0	14,854	0
<b>Total Assets</b>	<u>\$ 1,360,378</u>	<u>\$ 190,338</u>	<u>\$ 469,741</u>	<u>\$ 1,080,975</u>
<b>Liabilities</b>				
Estimated interest penalty payable	\$ 64,068	\$ 0	\$ 64,068	\$ 0
Administrative expense payable	0	9,999	0	9,999
Miscellaneous payables	5,629	0	5,629	0
Due to other funds	1,290,681	70,976	290,681	1,070,976
<b>Total Liabilities</b>	<u>\$ 1,360,378</u>	<u>\$ 80,975</u>	<u>\$ 360,378</u>	<u>\$ 1,080,975</u>
<b>DEFERRED COMPENSATION PROGRAM</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 39,106	\$ 279,102	\$ 315,680	\$ 2,528
Investments	239,169,317	42,152,766	13,133,956	268,188,127
Contributions receivable	103,066	207,570	103,066	207,570
Administrative reimbursement receivable	237,106	39,705	237,106	39,705
<b>Total Assets</b>	<u>\$ 239,548,595</u>	<u>\$ 42,679,143</u>	<u>\$ 13,789,808</u>	<u>\$ 268,437,930</u>
<b>Liabilities</b>				
Deferred compensation payable	\$ 239,281,058	\$ 42,259,561	\$ 13,142,394	\$ 268,398,225
Administrative expense payable	267,537	39,705	267,537	39,705
<b>Total Liabilities</b>	<u>\$ 239,548,595</u>	<u>\$ 42,299,266</u>	<u>\$ 13,409,931</u>	<u>\$ 268,437,930</u>

*Wisconsin Department of Employee Trust Funds  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
for Year Ended December 31, 1992*

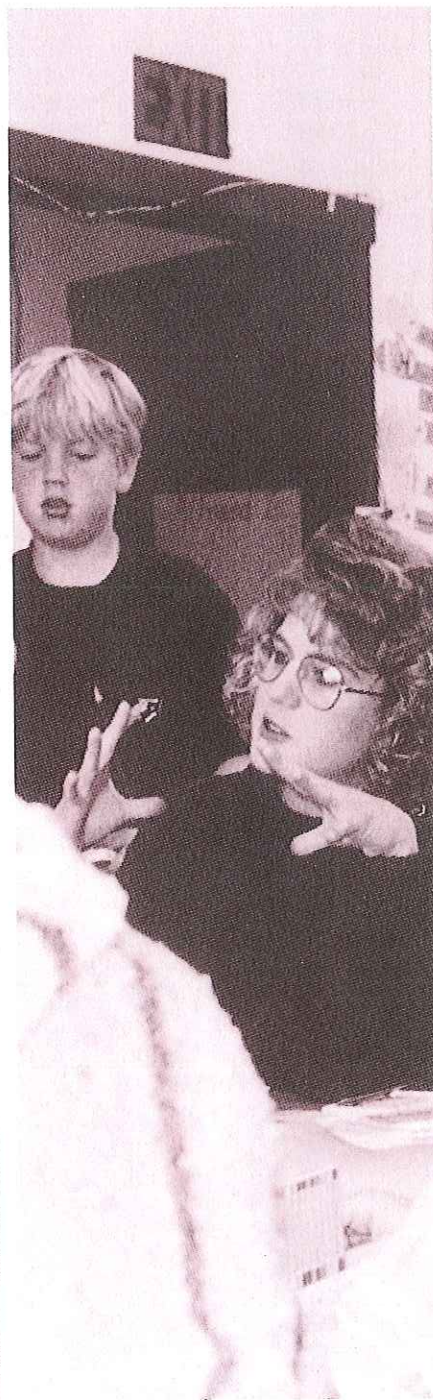
*Statement 16  
(continued)*

	Balance January 1, 1992	Additions	Deductions	Balance December 31, 1992
CITY OF MILWAUKEE RETIREMENT SYSTEM				
<b>Assets</b>				
Cash and cash equivalents	\$ 234,148,782	\$ 22,029,297	\$ 0	\$ 256,178,079
<b>Liabilities</b>				
Due to City of Milwaukee retirement	\$ 234,147,224	\$ 22,096,679	\$ 66,457	\$ 256,177,446
Due to other funds	1,558	0	1,558	0
Miscellaneous payables	0	633	0	633
	<u>\$ 234,148,782</u>	<u>\$ 22,097,312</u>	<u>\$ 68,015</u>	<u>\$ 256,178,079</u>
TOTALS - ALL FUNDS				
<b>Assets</b>				
Cash and cash equivalents	\$ 235,428,905	\$ 22,498,737	\$ 666,060	\$ 257,261,582
Investments	239,169,317	42,152,766	13,133,956	268,188,127
Contributions receivable	103,066	207,570	103,066	207,570
Miscellaneous receivables	104,507	0	104,507	0
Administrative reimbursement receivable	237,106	39,705	237,106	39,705
Prepaid expenses	14,854	0	14,854	0
Total Assets	<u>\$ 475,057,755</u>	<u>\$ 64,898,778</u>	<u>\$ 14,259,549</u>	<u>\$ 525,696,984</u>
<b>Liabilities</b>				
Estimated interest penalties payable	\$ 64,068	\$ 0	\$ 64,068	\$ 0
Administrative expense payable	267,537	49,704	267,537	49,704
Miscellaneous payables	5,629	633	5,629	633
Due to other funds	1,292,239	70,976	292,239	1,070,976
Deferred compensation payable	239,281,058	42,259,561	13,142,394	268,398,225
Due to City of Milwaukee retirement	234,147,224	22,096,679	66,457	256,177,446
Total Liabilities	<u>\$ 475,057,755</u>	<u>\$ 64,477,553</u>	<u>\$ 13,838,324</u>	<u>\$ 525,696,984</u>

# STATISTICAL



*Onalaska Schools*



*LaPointe Schools*

## Retirement System Statistics

### Total Participants by Status

Year	Active	Inactive	Annuityants	Total
1987	196,361	62,000	67,688	326,049
1988	199,413	62,802	70,017	332,232
1989	204,336	65,779	73,232	343,347
1990	213,272	69,009	77,666	359,947
1991	219,624	70,646	79,465	369,735
1992	225,762	73,068	81,508	380,338

### Total Participants with Variable Election

Year	Active	Inactive	Annuitant	Total
1987	28,903	8,375	17,084	54,362
1988	27,160	8,167	17,779	53,106
1989	25,506	8,170	18,502	52,178
1990	23,577	8,282	19,922	51,781
1991	22,396	7,611	19,174	49,181
1992	21,367	7,061	20,968	49,396

### Active Participants by Sex

Year	Male	Female	Total
1987	90,373	105,988	196,361
1988	90,520	108,893	199,413
1989	90,987	113,349	204,336
1990	92,636	120,636	213,272
1991	94,178	125,446	219,624
1992	95,603	130,158	225,761

### Active Participants by Employer Type

Year	State Agencies	University	School Districts	Counties	Cities
1987	30,286	25,314	79,152	31,278	20,414
1988	30,360	26,359	80,528	31,759	20,549
1989	30,256	27,462	83,232	32,387	20,781
1990	32,138	28,802	87,048	33,346	21,276
1991	32,906	29,029	90,130	34,381	21,841
1992	34,186	37,720 (1)	82,365 (1)	35,363	27,433

Year	VTAE Districts	Villages	Towns	4th Class Cities	Misc.	Totals (2)
1987	7,280	2,111	802	224	1,921	196,361
1988	7,310	2,161	821	225	1,863	199,413
1989	7,709	2,226	866	244	1,894	204,336
1990	8,104	2,379	952	258	1,973	213,272
1991	8,310	2,492	1,019	349	2,106	219,624
1992	8,140	3,215	1,209	447	2,685	225,762

(1) Dual-employment participants probably were counted differently because of method changes. Programming changes will make necessary adjustments in future reports.

(2) Some participants may be counted in more than one employer type. The total column eliminates the duplication and is an unduplicated count of participants.



**Active Membership (State Participants)  
(10-Year Figures)**

Year	General	Elected	Protective With Soc. Sec.	Protective Without Soc. Sec.	Total
1983	48,261	464	2,290	-	51,015
1984	49,568	469	2,328	-	52,365
1985	49,816	474	2,363	-	52,653
1986	50,065	479	2,398	-	52,942
1987	51,429	362	3,008	-	54,799
1988	52,260	371	3,032	-	55,663
1989	53,345	371	3,091	-	56,807
1990	56,044	366	3,417	-	59,827
1991	56,900	371	3,692	-	60,963
1992	57,805	650	3,967	-	62,422

**Active Membership (Local Participants)**

Year	General	Elected	Protective With Soc. Sec.	Protective With Soc. Sec.	Total
1983	123,667	850	6,794	2,556	133,867
1984	124,625	860	6,898	2,535	134,918
1985	126,774	869	6,967	2,535	137,145
1986	128,967	877	7,037	2,535	139,416
1987	130,723	930	7,246	2,584	141,483
1988	132,901	918	7,366	2,606	143,791
1989	136,655	920	7,498	2,590	147,663
1990	142,278	855	7,778	2,604	153,515
1991	147,288	847	8,002	2,586	158,723
1992	151,714	803	8,194	2,628	163,339

**Active Membership (Total Participants)**

Year	General	Elected	Protective With Soc. Sec.	Protective With Soc. Sec.	Total (1)
1983	171,928	1,314	9,084	2,556	184,882
1984	174,193	1,329	9,226	2,535	187,283
1985	176,590	1,343	9,330	2,535	189,798
1986	179,032	1,356	9,435	2,535	192,358
1987	182,152	1,292	10,254	2,584	196,361
1988	185,161	1,289	10,398	2,606	199,413
1989	190,000	1,291	10,589	2,590	204,336
1990	198,322	1,221	11,195	2,604	213,272
1991	204,188	1,218	11,694	2,586	219,624
1992	209,519	1,453	12,161	2,628	225,761

(1) Some participants may be counted in more than one employment category. The total column eliminates the duplication and is an unduplicated count of participants.

*Active Member Earnings (Amounts in Thousands \$)*

Year	State	Local	Total
1983	\$ 1,109,490	\$ 2,560,442	\$ 3,669,932
1984	1,111,824	2,693,680	3,805,504
1985	1,214,611	2,872,140	4,086,751
1986	1,348,206	3,052,327	4,400,533
1987	1,373,498	3,136,228	4,509,726
1988	1,428,991	3,350,731	4,779,722
1989	1,483,612	3,535,249	5,018,861
1990	1,644,365	3,781,371	5,425,736
1991	1,746,228	4,119,269	5,865,497
1992	1,887,740	4,584,546	6,472,286

*Active Member Statistics—Plan Averages*

Year	Earnings	General		Earnings	Elected	
		Age	Service		Age	Service
1983	\$ 18,612	41.7	10.0	\$ 22,510	50.5	8.4
1984	19,167	42.0	10.1	24,418	50.4	8.7
1985	19,987	42.0	10.0	26,721	50.0	8.3
1986	21,309	42.3	9.8	28,371	50.3	8.8
1987	22,836	42.1	10.7	25,874	50.4	6.0
1988	23,784	42.3	10.8	26,171	50.1	6.0
1989	24,387	42.3	10.7	27,339	50.3	5.8
1990	25,245	42.1	10.3	28,137	51.2	6.2
1991	26,543	42.3	10.5	29,959	51.3	6.3
1992	27,508	42.5	10.7	39,185	50.5	10.3

Year	Earnings	Protective with Social Security		Earnings	Protective without Social Security	
		Age	Service		Age	Service
1983	\$ 22,866	38.1	10.9	\$ 25,257	40.8	14.6
1984	23,551	38.1	10.9	26,414	40.8	14.6
1985	24,596	38.1	11.0	27,388	40.2	14.0
1986	25,875	38.1	10.6	29,072	40.7	13.8
1987	26,509	37.8	10.8	30,460	40.5	14.6
1988	27,278	37.9	10.9	31,600	40.6	14.7
1989	28,191	38.0	11.0	32,184	40.1	14.2
1990	29,390	37.5	10.5	33,733	39.7	13.7
1991	30,408	37.6	10.5	35,563	39.8	13.7
1992	32,003	37.7	11.3	37,933	40.0	14.2

### Number of Benefits

Year	Annuities Approved			Lump Sum Payments		Annuities in Force	
	Ret.	Disab.	Benef.	Separation	Death	Disability	Ret./Benef.
1983	4,209	295	28	8,558	511	3,201	54,569
1984	4,768	273	17	8,345	527	3,281	57,021
1985	4,334	347	22	8,386	507	3,471	59,482
1986	4,154	362	26	6,824	483	3,695	61,730
1987	4,125	342	36	6,552	445	3,861	63,827
1988	4,163	379	31	7,175	433	4,046	65,971
1989	5,097	320	24	5,164	304	4,201	69,031
1990	6,389	333	27	5,828	360	4,353	73,313
1991	3,862	362	33	4,883	406	4,535	74,930
1992	3,993	343	35	4,593	315	4,714	76,794

### Number and Percent of Annuities by Option — 1992

Option	All Annuities in Force		New Annuities	
	Number	%	Number	%
Life with 15 Year Guarantee	23,951	29.4%	887	20.3%
Life with 5 Year Guarantee	17,562	21.5	692	15.8
Straight Life	11,978	14.7	660	15.1
75% Continued Upon First Death	6,395	7.8	485	11.1
75% Continued to one Beneficiary	6,300	7.7	537	12.3
100% Continued to one Beneficiary	4,806	5.9	357	8.2
100% Continued to one Beneficiary with 180 Month Guarantee	3,325	4.1	658	15.1
Life with 10 Year Guarantee	1,648	2.0	0	0.0
Life with 5 Year Guarantee and Social Security Integrated	1,530	1.9	0	0.0
Other	4,013	5.0	95	2.1
Total	81,508	100.00%	4,371	100.00%

### Retiree Age Distribution — 1992

Age Range	Members	% of Total
Under 55	391	0.5
55-59	4,630	6.3
60-64	11,299	15.3
65-69	16,059	21.7
70-74	15,187	20.5
75-79	11,736	15.9
80-84	8,194	11.1
85-89	4,482	6.1
90-94	1,534	2.1
95 And Above	397	0.5
Totals	73,909	100.0%

**Retirement Annuity As A Percent of Final Average  
(Monthly) Earnings (FAE) At Normal Retirement Age**

Years of Service	General Employes and Teachers Age 65						Elected Officials and State Executive Pay Plan Age 62						
	15		20		30		15		20		30		
	FAE	\$ %	\$ %	\$ %	\$ %	FAE	\$ %	\$ %	\$ %	\$ %			
1,200	803	66.9	883	73.6	1,043	86.9	1,800	1,051	58.4	1,204	66.9	1,509	83.8
1,400	905	64.6	998	71.3	1,185	84.6	2,000	1,137	56.9	1,306	65.3	1,646	82.3
1,600	1,006	62.9	1,113	69.6	1,326	82.9	2,200	1,205	54.8	1,400	63.6	1,773	80.6
1,800	1,101	61.2	1,221	67.8	1,461	81.2	2,400	1,282	53.4	1,485	61.9	1,892	78.8
2,000	1,187	59.4	1,320	66.0	1,587	79.4	2,600	1,340	51.5	1,561	60.0	2,058	79.2
2,200	1,260	57.3	1,406	63.9	1,700	77.3	2,800	1,398	49.9	1,636	58.4	2,111	75.4
2,400	1,314	54.8	1,474	61.4	1,794	74.8	3,000	1,456	48.5	1,711	57.0	2,219	74.0
2,600	1,366	52.5	1,539	59.2	1,886	72.5	3,200	1,514	47.3	1,785	55.8	2,328	72.8
2,800	1,415	50.5	1,600	57.1	1,975	70.5	3,400	1,571	46.2	1,859	54.7	2,436	71.7
3,000	1,465	48.8	1,665	55.5	2,065	68.8	3,600	1,628	45.2	1,933	53.7	2,544	70.7

NOTE: Calculations are based on a joint survivorship annuity — 100% continued to a spouse of the same age as beneficiary, plus Social Security benefits based on estimated amounts from 1989 tables. The Social Security tables assume continuous coverage since age 22 or 1956, whichever is later.

Years of Service	Protective Without Social Security (1) Age 55						Protective With Social Security (2) Age 55						
	15		20		30		15		20		30		
	FAE	\$ %	\$ %	\$ %	\$ %	FAE	\$ %	\$ %	\$ %	\$ %			
1,800	595	33.0	793	44.0	1,189	66.1	1800	839	46.6	997	55.4	1,314	73.0
2,000	661	33.0	881	44.0	1,322	66.1	2000	912	45.6	1,088	54.4	1,441	72.1
2,200	727	33.0	969	44.0	1,454	66.1	2,200	982	44.6	1,175	53.4	1,563	71.1
2,400	793	33.0	1,057	44.0	1,586	66.1	2,400	1,048	43.7	1,260	52.5	1,683	70.1
2,600	859	33.0	1,145	44.0	1,718	66.1	2,600	1,109	42.7	1,338	51.5	1,797	69.1
2,800	925	33.0	1,233	44.0	1,850	66.1	2,800	1,167	41.7	1,413	50.5	1,907	68.1
3,000	991	33.0	1,322	44.0	1,982	66.1	3,000	1,224	40.8	1,488	49.6	2,017	67.2
3,200	1,057	33.0	1,410	44.0	2,114	66.1	3,200	1,281	40.0	1,562	48.8	2,126	66.4
3,400	1,123	33.0	1,498	44.0	2,247	66.1	3,400	1,338	39.4	1,637	48.2	2,236	65.8
3,600	1,189	33.0	1,586	44.0	2,379	66.1	3,600	1,394	38.7	1,711	47.5	2,345	65.1

- (1) Calculations are based on a joint survivorship annuity — 100% continued with a spouse the same age as beneficiary. No Social Security benefits are included.
- (2) Calculations are based on a joint survivorship annuity — 100% continued, with a spouse the same age as beneficiary, integrated with Social Security. Includes estimated Social Security benefits from 1989 tables.

## Health Insurance Statistics

### Self-Insured Health Insurance Plans Policy Year Summary (Amounts in Thousands \$)

#### State Plan

	Policy Year				
	1992 (Preliminary)	1991	1990	1989	1988
Premiums - Standard Plan	\$38,332	37,563	38,307	43,307	42,217
Premiums - HMP	10,181	8,585	7,888	5,491	3,284
Premiums - Standard Plan 2	15,687	14,182	8,644	0	0
Investment Earnings	1,383	1,048	1,594	1,839	(189)
<b>Total Revenues</b>	<b>65,583</b>	<b>61,378</b>	<b>56,433</b>	<b>51,011</b>	<b>45,312</b>
Claims - Standard Plan	35,461	36,521	38,488	45,562	47,799
Claims - HMP	8,260	7,490	6,802	4,703	3,770
Claims - Standard Plan 2	14,697	16,559	9,125	0	0
Administrative Expense - ETF	458	64	85	(691)	377
Administrative Expense - Carrier	1,321	1,334	1,226	946	1,005
<b>Total Expenses</b>	<b>60,197</b>	<b>61,968</b>	<b>55,726</b>	<b>50,520</b>	<b>52,951</b>
<b>Net Income</b>	<b>5,386</b>	<b>(590)</b>	<b>707</b>	<b>491</b>	<b>(7,639)</b>

#### Local Plan

	Policy Year				
	1992 (Preliminary)	1991	1990	1989	1988
Premiums - Standard Plan	\$4,355	3,873	2,980	2,313	931
Premiums - HMP	2,747	2,317	2,012	433	173
Investment Earnings	51	68	153	45	(42)
<b>Total Revenues</b>	<b>7,153</b>	<b>6,258</b>	<b>5,145</b>	<b>2,791</b>	<b>1,062</b>
Claims - Standard Plan	4,424	4,121	3,024	2,326	1,075
Claims - HMP	2,815	2,242	1,718	515	228
Administrative Expense - ETF	44	16	21	(15)	14
Administrative Expense - Carrier	231	219	175	100	21
<b>Total Expenses</b>	<b>7,514</b>	<b>6,598</b>	<b>4,938</b>	<b>2,926</b>	<b>1,338</b>
<b>Net Income</b>	<b>(361)</b>	<b>(340)</b>	<b>207</b>	<b>(135)</b>	<b>(276)</b>

## Group Health Insurance Contracts in Force

### Active Employees

Year	Single	Family	Medicare Integrated			Total
			Single	Family \ 1	Family \ 2	
1983	16,085	32,573	50	680	52	49,440
1984	16,447	33,710	0	0	0	50,157
1985	17,860	34,742	0	0	0	52,602
1986	16,704	34,544	0	0	0	51,248
1987	17,332	35,749	0	0	0	53,199
1988	17,404	36,029	0	0	0	53,438
1989	18,014	36,717	0	0	0	54,731
1990	18,206	37,292	0	0	0	55,498
1991	18,340	38,334	0	0	0	56,674
1992	19,214	39,547	0	0	0	58,761

### Retired Employees Paying Premium By Annuity Deduction

Year	Single	Family	Medicare Integrated			Total
			Single	Family - 1	Family - 2	
1983	174	146	2,794	446	1,439	4,999
1984	182	150	2,916	472	1,534	5,254
1985	234	184	3,037	493	1,721	5,669
1986	601	338	4,260	570	2,239	8,008
1987	585	359	4,488	591	2,358	8,381
1988	663	369	4,646	604	2,457	8,734
1989	256	190	3,409	523	2,068	6,446
1990	307	200	3,547	513	2,202	6,769
1991	314	197	3,752	534	2,338	7,135
1992	304	230	3,953	511	2,468	7,466

### Retired Employees Using Accumulated Sick Leave Credits

Year	Single	Family	Medicare Integrated			Total
			Single	Family - 1	Family - 2	
1983	505	720	1,466	787	1,219	4,697
1984	589	819	1,557	791	1,286	5,042
1985	602	900	1,710	765	1,472	5,449
1986	600	944	1,795	802	1,567	5,708
1987	613	983	1,840	882	1,621	5,939
1988	619	1,029	1,912	876	1,708	6,144
1989	678	1,209	1,881	894	1,781	6,443
1990	830	1,386	1,901	928	1,782	6,827
1991	786	1,307	1,845	922	1,786	6,646
1992	759	1,163	1,797	927	1,827	6,473

*Premiums Collected (Amounts in Thousands \$)*

	Employee		Employer Active	Sick Leave Conversion Credits	Total
	Active	Retired			
1983-84	\$ 6,811	6,154	76,760	5,532	95,257
1984-85	6,482	6,683	81,059	5,159	99,383
1985-86	6,275	7,468	85,722	9,129	108,594
1986-87	5,875	8,655	92,477	13,481	120,488
1987-88	6,900	10,714	103,837	9,462	130,913
1988-89	7,772	13,490	128,702	11,963	161,927
1989-90	7,162	17,566	155,691	15,722	196,141
1990-91	7,644	20,381	180,597	19,078	227,700
1991-92	9,167	21,693	201,329	21,034	253,223
1992-93	10,628	24,968	252,614	22,412	310,622

1. The above figures are from the State Central Accounting Records maintained by the Department of Administration.
2. Employer contribution for active employees is presently the lesser of 90% of the cost of the standard plan or 105% of the cost of the lowest cost alternate health plan in the service area. Graduate assistants employed in the University of Wisconsin System pay the lesser of 80% of the standard plan or 100% of the lowest cost alternate plan.
3. Sick leave conversion credits represent the premium payments for retirees who converted their unused sick leave at retirement to dollar credits. Effective July 1, 1985, employers began paying an actuarially determined contribution to establish a reserve from which premium payments are made. When the retiree's dollar credits are exhausted, the retiree assumes responsibility for premium payment through an annuity deduction or by direct payment.

## Life Insurance Statistics

### Group Life Insurance Premiums Collected (Amounts in Thousands \$)

Year	State		Local		Totals
	Employee	Employer	Employee	Employer	
1983	\$ 5,949	4,253	3,236	1,576	15,014
1984	6,474	3,274	3,817	1,222	14,787
1985	6,467	2,838	3,994	1,157	14,456
1986	6,370	2,709	4,208	1,128	14,415
1987	6,909	2,728	3,840	1,110	14,587
1988	7,055	2,792	4,050	1,128	15,025
1989	7,383	2,880	4,428	1,203	15,894
1990	7,685	2,919	4,808	1,285	16,697
1991	8,299	3,124	5,249	1,382	18,054
1992	8,158	2,995	5,308	1,346	17,807

Year	State Employees				Local Employees		Totals
	Pre-Retirement			Post	Pre-	Post	
	Basic	Supplemental	Additional	Retirement	Retirement	Retirement	
1983	\$ 873,224	778,848	-	39,743	856,182	35,694	2,583,691
1984	929,291	829,742	213,474	45,578	1,042,907	38,544	3,099,536
1985	949,577	826,133	225,912	56,276	1,162,805	40,413	3,261,116
1986	1,002,407	867,395	243,998	62,237	1,294,804	44,888	3,515,729
1987	1,124,900	954,832	290,049	69,461	1,366,901	47,738	3,853,881
1988	1,149,936	973,811	299,574	76,455	1,485,570	51,087	4,036,433
1989	1,220,171	1,023,714	328,073	83,265	1,623,001	54,720	4,332,944
1990	1,236,343	1,019,605	341,634	94,775	1,759,790	58,442	4,510,589
1991	1,335,068	1,086,446	392,044	104,599	1,945,206	63,750	4,927,113
1992	1,419,159	1,136,635	430,942	114,713	2,117,113	70,577	5,289,139

Year	State Employees				Local Employees		Totals
	Pre-Retirement			Post	Pre-	Post	
	Basic	Supplemental	Additional	Retirement	Retirement	Retirement	
1983	41,280	36,938	-	6,345	47,577	10,380	105,582
1984	40,668	36,408	9,345	6,733	49,876	10,922	108,199
1985	40,405	35,043	9,644	7,187	50,816	10,784	109,192
1986	40,545	34,946	9,870	7,576	52,695	11,178	111,994
1987	41,263	34,773	10,711	7,813	52,093	11,423	112,592
1988	41,237	34,721	10,801	8,101	53,674	11,717	114,729
1989	42,352	35,546	11,571	8,312	55,578	12,008	118,250
1990	41,850	34,389	11,708	8,859	57,845	12,242	120,796
1991	42,665	34,563	12,672	9,238	60,859	12,602	125,364
1992	44,390	35,422	13,678	9,579	62,723	12,975	129,667

NOTE: Supplemental and Additional life insurance contracts of state employees are not included in the total column.



**Group Life Insurance Monthly Employee Premium Rates (Per \$1,000 Coverage)**

Age Group	Effective March 1, 1991			Effective March 1, 1992		
	Basic Coverage	Supplemental Coverage	Additional Coverage	Basic Coverage	Supplemental Coverage	Additional Coverage
Under 35	0.08	0.06	0.08	0.08	0.06	0.08
35-39	0.08	0.06	0.10	0.08	0.06	0.09
40-44	0.18	0.12	0.14	0.14	0.10	0.14
45-49	0.30	0.20	0.26	0.23	0.16	0.26
50-54	0.45	0.30	0.43	0.36	0.24	0.43
55-59	0.60	0.35	0.67	0.55	0.35	0.65
60-64	0.60	0.35	1.05	0.60	0.35	1.00
65-69	0.60	0.35	1.55	0.60	0.35	1.45

1. Employee or employer premium payment is no longer due if the employee is 70 years old and still working or if the employee is at least 65 years old and is retired.
2. Supplemental and additional insurance is available to state employees. Employee may elect supplemental coverage at either 50% or 100% of the basic coverage amount. Additional coverage is available only at 100% of the basic coverage amount.

**Group Life Insurance Claims Paid (Amounts in Thousands \$)**

Year	State Employees		Local Employees		Totals
	Pre-Retirement	Post Retirement	Pre-Retirement	Post Retirement	
1983	\$ 4,025	1,178	1,888	1,054	8,145
1984	5,333	1,465	3,353	1,208	11,359
1985	6,485	1,502	3,317	1,196	12,500
1986	6,861	1,751	3,963	1,652	14,227
1987	8,597	1,654	5,082	1,480	16,813
1988	6,897	2,165	4,105	1,546	14,713
1989	7,271	2,382	4,207	1,486	15,346
1990	7,321	2,433	3,749	1,831	15,334
1991	7,930	2,733	4,968	1,738	17,369
1992	8,976	3,144	4,404	2,177	18,701

**Spouse & Dependent Life Insurance (State Employees Only)**

Year	Contracts in Force	Insurance in Force	Premiums Collected	Claims Paid
1983	17,871	\$ 122,860,000	\$ 427,402	\$ 330,161
1984	18,183	125,007,500	432,410	254,285
1985	18,185	125,022,500	435,595	279,662
1986	18,588	178,913,000	438,141	322,579
1987	18,557	178,608,500	444,001	397,865
1988	20,056	330,127,500	656,846	757,848
1989	20,778	334,818,750	776,018	563,805
1990	21,422	345,187,500	790,633	549,590
1991	21,745	428,868,000	822,752	641,702
1992	22,534	444,447,000	845,894	1,012,362

## Income Continuation Insurance Statistics

### Income Continuation Insurance - Revenues by Type (Amounts in Thousands \$)

Year	Premiums		Investment Income	Totals
	Employee	Employer		
83-84	\$ 2,048	3,181	2,406	7,635
84-85	2,081	3,332	2,730	8,143
85-86	2,115	3,329	3,366	8,810
86-87	1,569	1,926	4,603	8,098
87-88	1,330	1,429	5,430	8,189
88-89	0*	0*	4,897	4,897
89-90	0*	0*	4,205	4,205
90-91	0*	0*	2,986	2,986
91-92	0*	0*	11,416	11,416
92-93	0*	0*	4,931	4,931

\*Premium Holiday Declared

### Income Continuation Insurance - Expense by Type (Amounts in Thousands \$)

Year	Benefits Paid		Other Expenses					Total
	Short-Term	Long-Term	Admin	Medical	Rehab	Legal	Misc	
83-84	\$ 2,037	852	84	1	14	0	0	2,988
84-85	1,896	933	89	2	17	0	0	2,937
85-86	1,913	985	82	2	9	0	(11)	2,980
86-87	2,241	894	92	1	12	0	1	3,241
87-88	2,612	1,036	109	2	18	0	0	3,777
88-89	2,617	1,428	123	2	9	0	0	4,179
89-90	3,038	1,685	144	27	18	0	0	4,912
90-91	2,986	2,308	209	36	23	0	0	5,562
91-92	3,058	2,790	278	36	21	0	18	6,201
92-93	3,328	2,588	297	38	29	0	16	6,296

### Group Income Continuation Insurance Claims Paid/Contracts in Force

Year	Contracts	Claims Paid Due To		Total Claims Paid
		Illness	Accident	
83-84	31,421	556	97	653
84-85	32,902	589	145	734
85-86	33,426	576	143	719
86-87	34,429	579	128	707
87-88	35,000	620	190	810
88-89	35,569	654	185	839
89-90	39,657	650	181	831
90-91	41,885	657	192	849
91-92	44,442	798	242	1,040
92-93	46,813	808	260	1,068

## Employe Reimbursement Accounts Statistics

### Salary Reductions and Claims

Year	Medical				Dependent Care			
	Accounts	Salary Reductions	Claims	Forfeitures	Accounts	Salary Reductions	Claims	Forfeitures
1990	3,111	\$ 1,909,556	1,870,359	39,197	971	\$ 2,798,565	2,786,212	12,353
1991	3,665	\$ 2,564,233	2,518,965	45,268	1,173	\$ 3,773,840	3,757,606	16,234
1992	4,770	\$ 3,028,007	2,969,889	58,118	1,350	\$ 4,404,836	4,388,155	16,681

### Administrative Funding

Year	Receipts				Expenses			Surplus (Deficit)
	Fees	Interest	Forfeitures	Total	ASO	State	Total	
1989 (1)				0	\$138,556	42,015	180,571	(180,571)
1990	\$515,225	73,253	51,550	640,028	461,664	126,440	588,104	51,924
1991	\$706,185	79,045	61,502	846,732	386,958	116,322	503,280	343,452
1992	\$398,886	59,513	74,799	533,198	365,637	84,868	450,505	82,693

(1) The Employe Reimbursement Accounts program was implemented effective January 1, 1990. The administrative expenses incurred during 1989 were for program development and start-up costs.

## Deferred Compensation Program Statistics

### Active Accounts and Assets by Investment Option

Year	Fixed(1)		Variable(2)		Annuitants(3)		Totals	
	Accounts(5)	Assets	Accounts	Assets	Accounts	Assets	Accounts	Assets(4)
1984	3,755	\$ 5,253,121	7,149	\$ 9,612,359	N/A	\$ 78,044	10,904	\$ 15,469,971
1985	5,059	12,866,326	8,383	19,920,856	N/A	476,243	13,442	33,862,308
1986	6,564	19,581,393	11,769	32,330,087	31	1,433,454	18,364	54,528,469
1987	7,749	27,855,791	15,819	45,849,044	72	3,386,608	23,640	77,309,294
1988	9,349	43,666,248	14,161	53,942,398	161	6,416,807	23,671	104,194,139
1989	10,166	59,303,613	14,880	76,366,885	385	11,991,751	25,431	147,940,718
1990	10,446	74,361,610	16,472	83,081,366	734	17,514,610	27,652	175,239,356
1991	10,728	87,773,868	18,141	132,671,545	1,031	18,723,904	29,900	239,272,383
1992	10,503	94,724,522	25,735	156,789,100	868	16,674,505	37,106	268,395,697

- (1) Fixed Investment Options include fixed income funds; i.e. insured bank accounts and insurance options (GIC).
- (2) Variable Investment Options include mutual funds with varying degrees of investment risk; i.e. money market, bond, balanced and growth funds.
- (3) Assets held for annuity payout are invested in a fixed insurance option (GIC).
- (4) Total Assets include amounts being held for investment which are not reflected as Fixed, Variable or Annuitant investments
- (5) A participant choosing multiple investment options may be counted in both fixed and variable.

### Participants and Assets by State and Local

Year	Employers	Local		State		Totals	
		Participants	Assets	Participants	Assets	Participants	Assets
1986	116	1,825	NA	7,717	NA	9,542	NA
1987	164	2,505	\$ 6,810,894	9,188	\$ 70,498,400	11,693	\$ 77,309,294
1988	209	2,981	11,386,069	9,861	92,808,070	12,842	104,194,139
1989	233	3,603	18,925,498	10,889	129,015,220	14,492	147,940,718
1990	262	4,217	23,008,741	11,204	152,230,615	15,421	175,239,356
1991	280	4,383	33,190,382	11,412	206,082,001	15,795	239,272,383
1992	304	5,085	37,933,972	13,314	230,461,725	18,399	268,395,697

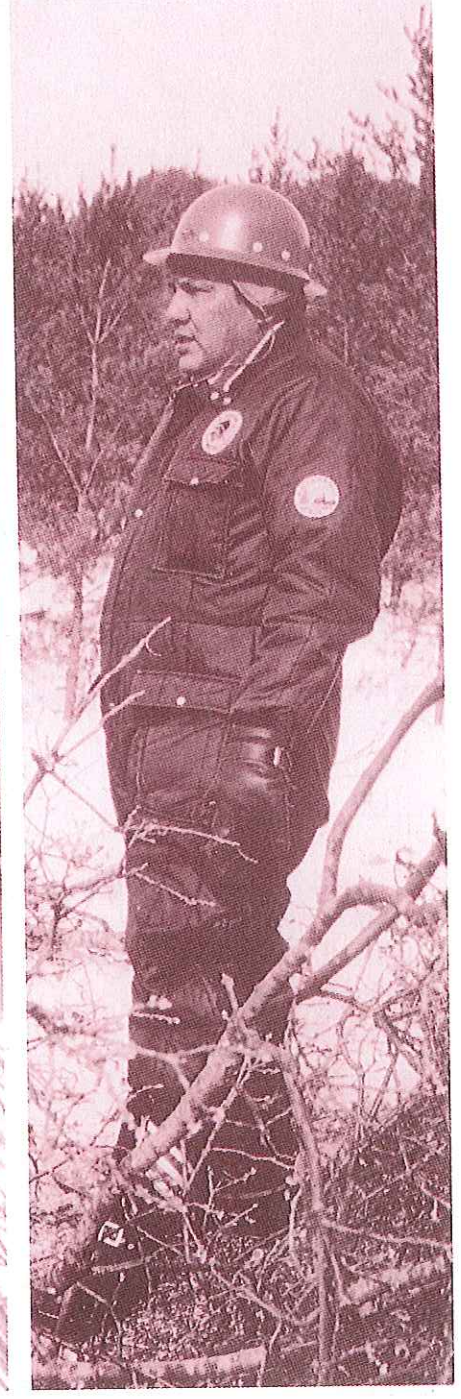
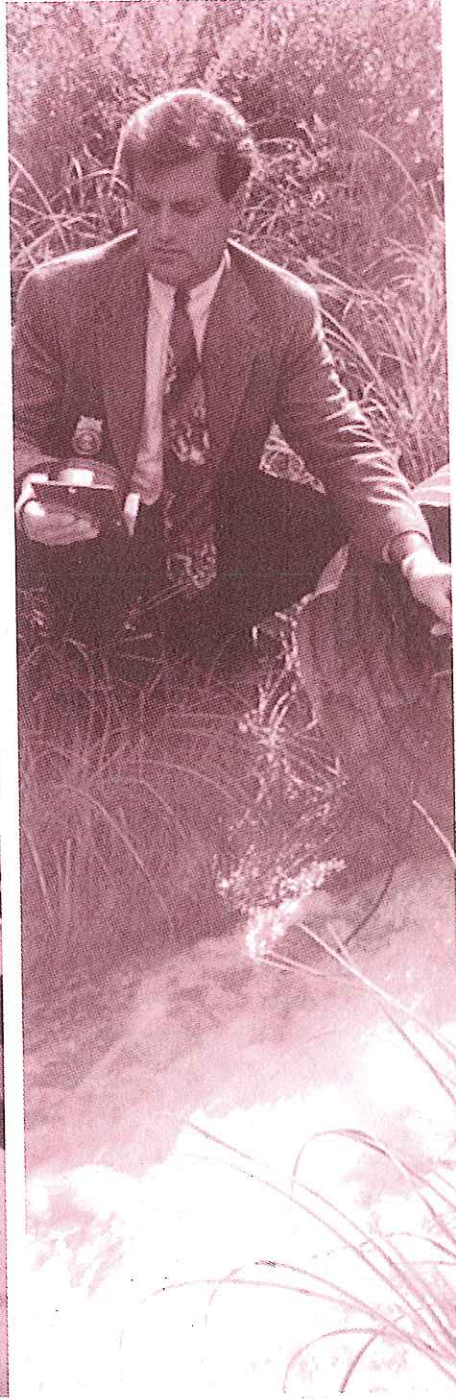
### Annual Changes in Assets

Year	1/1 Assets	Deferrals	Earnings	Withdrawals	Fees	12/31 Assets
1984	\$ 3,477,515	\$ 11,820,796	\$ 358,866	\$ 71,839	\$ 115,312	\$ 15,470,026
1985	15,470,026	14,293,055	4,841,409	436,632	305,550	33,862,308
1986	33,862,308	16,896,700	5,279,742	980,606	529,675	54,528,469
1987	54,528,489	22,438,587	2,777,196	1,642,560	792,398	77,309,294
1988	77,309,294	24,681,673	5,900,452	2,715,715	981,565	104,194,139
1989	104,194,139	26,547,017	22,563,886	4,061,708	1,302,616	147,940,718
1990	147,940,718	28,549,086	5,860,920	5,722,164	1,389,204	175,239,356
1991	175,239,356	30,298,143	42,912,507	7,460,685	1,716,938	239,272,383
1992	239,272,383	35,192,658	6,542,267	11,239,190	1,372,421	268,395,697

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1992 Comprehensive Annual Financial Report

# ACTUARIAL



*State Agencies—Health and Social Services and Natural Resources*

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November 14, 1994

Employe Trust Funds Board  
Wisconsin Retirement System  
201 East Washington Avenue  
Madison, Wisconsin 53702

*The basic financial objective of the Wisconsin Retirement System is to establish and receive contributions which, expressed as percents of active participant payroll, will remain approximately level from generation to generation of Wisconsin citizens, and which will be sufficient to pay benefits when due.*

Annual actuarial valuations test how well the basic objective is being achieved, measure WRS funding progress, and estimate level contribution rates for the future. Actuarial valuations were last completed as of December 31, 1992. These valuations indicate that the contribution rates established by the ETF Board meet the basic financial objective.

Actuarial valuations are based upon assumptions concerning future experience in various risk areas. The assumptions are reviewed every three years in accordance with Wisconsin Statutes. The most recent review covered the three year period January 1, 1988 to December 31, 1990. Revised assumptions are adopted by the Board after consulting with the actuary and were used in the December 31, 1992 valuations. We believe that the present assumptions produce reasonable results. Valuations are completed using generally accepted actuarial principles and in accordance with standards of practice prescribed by the Actuarial Standards Board.

*Based upon the most recent valuation it is our opinion that the Wisconsin Retirement System continues to be in excellent condition in accordance with actuarial principles of level percent of payroll financing.*

Respectfully submitted,



Norman L. Jones, F.S.A.



Brian B. Murphy, F.S.A.

**Wisconsin Retirement System**  
**Actuarial Statement of Assets and Liabilities**  
(millions \$)

	12/31/92	12/31/91	Increase (Decrease)
<b>Assets and Employer Obligations</b>			
Net Assets			
Cash, Investments & Receivables			
Less: Payables & Suspense Items			
Fixed Division	\$ 19,666.9	17,771.5	1,895.4
Variable Division	3,300.2	3,007.4	222.8
	<u>22,967.1</u>	<u>20,848.9</u>	<u>2,118.2</u>
Totals			
Obligations of Employers			
Unfunded Accrued Liability	1,984.9	2,041.7	(56.8)
	<u>24,952.0</u>	<u>22,890.6</u>	<u>2,061.4</u>
Total Assets			
<b>Reserves and Surplus</b>			
Reserves			
Actuarial Present Value of Projected Benefits Payable to Terminated Vested Participants and Active Members:			
Member Normal Contributions	6,891.3	6,297.2	594.1
Member Additional Contributions	135.0	129.1	6.0
Employer Contributions	8,910.8	8,205.3	705.5
	<u>15,937.1</u>	<u>14,631.5</u>	<u>1,305.6</u>
Total Contributions			
Actuarial Present Value of Projected Benefits Payable to Current Retirees and Beneficiaries:			
Fixed Annuities	7,404.1	6,711.3	693.4
Variable Annuities	1,141.7	929.7	212.0
	<u>8,546.4</u>	<u>7,641.0</u>	<u>905.4</u>
Total Annuities			
Special Death Benefit Reserve	0.7	0.6	0.1
	<u>24,484.2</u>	<u>22,273.1</u>	<u>2,211.1</u>
Total Reserves			
Surplus			
Fixed Annuity Reserve Surplus	377.7	427.2	(49.5)
Variable Annuity Reserve Surplus	66.9	171.6	(104.7)
Undistributed Earnings - Fixed Fund	12.7	11.6	1.1
Undistributed Earnings - Variable Fund	10.5	7.1	3.4
	<u>467.8</u>	<u>617.5</u>	<u>(149.7)</u>
Total Surplus			
Total Reserves and Surplus	<u>24,952.0</u>	<u>22,890.6</u>	<u>2,061.4</u>

**The principal areas of risk assumption are:**

1. Long-term **rates of investment** income likely to be generated by the assets of the retirement fund - this includes both realized and unrealized appreciation and depreciation.
2. **Rates of mortality** among participants, retirees and beneficiaries.
3. **Rates of withdrawal** of active participants.
4. **Rates of disability** among participants.
5. **Patterns of salary increases** to be experienced by participants.
6. The age and service **distribution of actual retirements**.

In making a valuation the actuary must project the monetary value of each risk assumption for each distinct experience group, for the next years and for each year over the next half-century or longer.

Once actual risk experience has occurred and been observed, it will not coincide exactly with assumed risk experience, regardless of the skill of the actuary, the completeness of the data, and the precision of the calculations. Each valuation provides a complete recalculation of assumed future risk experience and takes into account all past differences between assumed and actual risk experience. The result is a continual series of small adjustments to the computed contribution rate. From time to time it becomes necessary to adjust the package of risk measurements to reflect basic experience trends - but not random year-to-year fluctuations.

**The actuarial valuation method** used in the valuation was the Frozen Initial Liability Actuarial Valuation Method. Under this method, the amount of remaining unfunded accrued actuarial liabilities at any valuation date are affected only by the monthly amortization payments, compound interest, the added liability created by new employer units, and any added liabilities caused by changes in benefit provisions.

**Economic Assumptions**

**The long-term rates of investment return** used in making the valuation were 8.0% a year, compounded yearly for active members, and 5% a year, compounded yearly for present retired lives. This assumption determines the extent to which future benefit payments are assumed to be made from future investment income.

**Salary adjustment factors** used to project earnings for each participant between the valuation date and the participant's retirement age are shown below for sample ages. This assumption is used to project a participant's current earnings to the earnings upon which benefits will be based.



***% Increases in Salaries Next Year***

<u>Age</u>	<u>Merit</u>				<u>Base</u>	<u>Total</u>				<u>Age</u>
	<u>Protective</u>	<u>Teachers</u>	<u>Gen</u>	<u>Exec &amp; Elec</u>	<u>(Economy)</u>	<u>Protective</u>	<u>Teachers</u>	<u>Gen</u>	<u>Exec &amp; Elec</u>	
20	6.3%	8.0%	7.3%	6.3	5.6%	11.9%	13.6%	12.9%	11.9	20
25	6.3	4.3	4.5	4.6	5.6	11.9	9.0	10.1	10.2	25
30	3.3	3.1	2.6	3.4	5.6	8.9	8.7	8.2	9.0	30
35	1.6	2.7	2.0	2.6	5.6	7.2	8.3	7.6	8.2	35
40	0.8	2.1	1.2	1.9	5.6	6.4	7.7	6.8	7.5	40
45	0.6	1.6	0.7	1.4	5.6	6.2	7.2	6.3	7.0	45
50	0.6	1.0	0.5	1.0	5.6	6.2	6.6	6.1	6.6	50
55	-	0.6	0.4	0.7	5.6	5.6	6.2	6.0	6.3	55
60	-	0.1	0.3	0.5	5.6	5.6	5.7	5.9	6.1	60
65	-	-	-	-	5.6	5.6	5.6	5.6	5.6	65

If the number of active participants remains constant, then the total active participant payroll will increase 5.6% a year, the base portion of the individual salary increase assumptions. This increasing payroll was recognized in amortizing unfunded actuarial accrued liabilities.

**Decrement Probabilities**

The mortality table used to measure mortality for active and retired participants was the Wisconsin Projected Experience Table for men and women. Sample retirement values from this table are shown below. This assumption is used to measure the probabilities of participants dying before retirement and the probabilities of each benefit payment being made after retirement.

***Single Life Retirement Values  
Wisconsin Projected Experience Table - With 5% Interest***

<u>Sample Attained</u>	<u>Present Value of \$1 Monthly for Life</u>		<u>Future Life Expectancy (Years)</u>	
	<u>Males</u>	<u>Females</u>	<u>Males</u>	<u>Females</u>
<u>Ages</u>				
40	\$200.99	\$213.62	38.5	44.8
45	190.17	205.51	33.8	40.0
50	177.56	195.55	29.2	35.2
55	163.15	183.36	24.9	30.5
60	146.64	168.63	20.7	25.8
65	128.14	151.32	16.8	21.4
70	108.65	131.34	13.2	17.1
75	89.72	109.84	10.2	13.2
80	71.49	88.62	7.7	9.9
85	56.26	68.41	5.7	7.2

The assumed ages for service retirement are shown below. Rates apply to all participants at age 55 with 5 or more years service, and to Protective employees at age 53 with 25 years of experience or age 54 with 5 or more years of experience.

*Rates of Retirement for Those Eligible to Retire  
% Retiring Next Year*

Age	Protective	General			Executives & Elected Officials
		University		Other	
		Males	Females		
53	40 %	%	%	%	%
54	35				
55	30	5	8	5	5
56	30	5	8	5	5
57	30	5	8	7	7
58	30	5	8	7	7
59	30	5	8	8	8
60	30	5	8	10	10
61	30	5	8	10	10
62	50	18	20	30	20
63	30	15	18	30	20
64	30	15	18	30	20
65	50	40	40	60	40
66	50	40	40	50	40
67	50	40	40	40	30
68	50	40	40	40	30
69	50	40	40	50	40
70	100	100	100	50	50
71	100	100	100	50	50
72	100	100	100	100	100

The assumed rates of separation from employment prior to service retirement due to disability and other causes are shown for sample ages below. For disability retirement, impaired longevity was recognized by basing mortality on an age 10 years older than the actual age. For other withdrawals it was assumed that 70% of participants terminating after age 35 with 5 or more years service will leave their contributions on deposit and be paid a benefit at normal retirement age and that the remaining 30% would take a separation benefit. These assumptions are used to measure the probabilities of participants remaining in employment and the probabilities of being paid a disability or other termination benefit.

**Select and Ultimate Withdrawal  
% of Active Participants Withdrawing**

Age & Service	Protective		Public Schools		University		Exec. & Elected	Other	
	With Soc. Sec.	Without Soc. Sec.	Males	Females	Males	Females		Males	Females
0	9.0%	5.0%	20.0%	20.0%	23.0%	25.0%	N/A%	12.0%	17.0%
1	6.0	3.0	15.0	16.0	21.0	24.0	N/A	10.0	12.0
2	5.0	3.0	11.0	12.0	18.0	20.0	N/A	8.0	10.0
3	5.0	2.0	10.0	11.0	17.0	17.0	N/A	7.0	9.0
4	5.0	2.0	9.0	10.0	14.0	15.0	N/A	6.0	8.0
25 5 & Over	4.5	1.8	8.3	9.5	13.7	14.8	8.6	5.7	8.0
30	3.3	1.6	5.4	7.2	12.6	12.9	7.7	4.7	6.7
35	2.3	1.3	2.9	4.3	9.0	9.0	6.4	3.5	4.8
40	1.7	1.0	1.8	2.6	5.5	6.3	5.3	2.4	3.7
45	1.5	0.7	1.5	2.0	3.4	4.7	3.7	1.8	3.1
50	1.1	0.5	1.5	2.0	2.0	3.6	2.9	1.4	2.9
55	0.8	.4	1.3	1.8	1.0	2.1	1.4	0.8	1.8
60	0.8	.4	1.2	1.4	0.7	1.0	0.8	0.6	0.6

**Disability Rates  
% of Active Participants Becoming Disabled**

Age	Protective		Public Schools/University		Other	
	With S.S.	Without S.S.	Males	Females	Males	Females
20	.06%	.08%	.02%	.02%	.04%	.04%
25	.06	.08	.02	.02	.04	.04
30	.07	.09	.02	.02	.05	.04
35	.09	.11	.03	.02	.05	.05
40	.13	.14	.05	.04	.10	.10
45	.19	.21	.08	.07	.16	.15
50	.57	.62	.17	.13	.32	.25
55	.86	.97	.31	.28	.63	.47
60	.96	1.10	.48	.49	1.16	.78

**Contribution Rates - General and Elected Employees  
(Percent of Payroll)**

Year	General					Elected				
	Current Cost %	Prior Cost %	Employer Total %	Employee %	Benefit Adjustment %	Current Cost %	Prior Cost %	Employer Total %	Employee %	Benefit Adjustment %
1983	5.8	0.7	6.5	5.0	-	11.0	0.9	11.9	5.5	0.0
1984	5.8	0.7	6.5	5.0	-	11.0	0.9	11.9	5.5	0.0
1985	5.8	0.7	6.5	5.0	-	11.0	0.9	11.9	5.5	0.0
1986	5.4	1.1	6.5	5.0	1.0	10.8	0.8	11.6	5.5	0.0
1987	5.0	1.1	6.1	5.0	1.0	10.6	0.7	11.3	5.5	0.0
1988	4.9	1.1	6.0	5.0	1.0	11.2	0.7	11.9	5.5	0.0
1989	4.9	1.1	6.0	5.0	1.0	11.2	0.7	11.9	5.5	0.0
1990	4.6	1.4	6.0	5.0	1.0	11.0	0.9	11.9	5.5	0.0
1991	4.7	1.4	6.1	5.0	1.1	11.1	0.9	12.0	5.5	0.1
1992	4.8	1.4	6.2	5.0	1.2	11.1	0.9	12.0	5.5	0.1

**Contribution Rates - Protective Employees  
(Percent of Payroll)**

Calendar Year	Protective with Social Security						Protective without Social Security				
	Current Cost %	Prior Cost %	Duty Disab %	Employer Total %	Employee %	Benefit Adj %	Current Cost %	Prior Cost %	Duty Disab %	Employer Total %	Employee %
1983	10.8	1.3	-	12.1	6.0	-	18.2	1.6	-	19.8	8.0
1984	10.8	1.3	0.2	12.3	6.0	-	18.2	1.6	0.2	20.0	8.0
1985	10.8	1.3	0.2	12.3	6.0	-	18.2	1.6	0.2	20.0	8.0
1986	11.0	1.3	0.4	12.7	6.0	1.0	17.6	1.5	0.4	19.5	8.0
1987	11.2	1.2	0.5	12.9	6.0	1.0	17.0	1.5	0.5	19.0	8.0
1988	10.8	1.2	1.1	13.1	6.0	1.0	16.5	1.5	1.1	19.1	8.0
1989	10.1	1.2	1.4	12.7	6.0	1.0	15.4	1.5	1.4	18.3	8.0
1990	10.0	1.2	2.1	13.3	6.0	0.9	15.4	1.5	2.1	19.0	8.0
1991	9.8	1.1	2.3	13.2	6.0	0.7	14.9	1.5	2.3	18.7	7.5
1992	9.8	1.1	2.5	13.4	6.0	0.7	14.9	1.5	2.5	18.9	7.5

1. The employe rate is set by statute. Part or all of the required employe contribution may be paid by the employer on behalf of the employe.
2. The unfunded liability was recalculated in 1990 to reflect benefit improvements and is being amortized on a level percentage of salary basis over a period of 40 years beginning January 1, 1990 or on the effective date of the employer's participation, whichever is later. Percentages shown reflect how these level dollar contributions are expressed as a percent of payroll. Prior service rates vary by employers and the percentage reported represents a weighted average.
3. The duty disability rate became effective in April, 1984. As of January 1, 1985, an experience rated schedule went into effect. The percentage reported represents a weighted average.
4. Beginning 1/1/86, General and Protective with Social Security participants were required to make a nonrefundable Benefit Adjustment Contribution. Part or all of the Benefit Adjustment Contribution may be paid by the employer on behalf of the employe.

**Summary of Accrued and Unfunded Accrued Liabilities  
(Millions \$)**

Valuation Date	Aggregate Accrued Liabilities	Valuation Assets	Assets as a % of Accrued Liabilities	Unfunded Accrued Liabilities	Annual Active Member Payroll	UAL As a % of Annual Active Member Payroll
12/31/92	\$ 24,928.1	22,943.2	92.04%	1,984.9	6,293.8	31.5%
12/31/91	22,874.9	20,892.7	91.30%	1,982.2	5,865.5	33.8%
12/31/90	20,398.9	18,480.8	90.60%	1,918.1	5,421.5	35.4%
12/31/89	19,349.4	17,491.8	90.40%	1,857.6	5,011.8	37.1%
12/31/88	16,926.2	15,039.9	88.86%	1,886.3	4,779.0	39.5%
12/31/87	14,472.7	13,143.0	90.81%	1,329.7	4,508.0	29.5%
12/31/86	13,074.7	11,789.6	90.17%	1,285.1	4,184.0	30.7%
12/31/85	11,501.6	10,259.8	89.20%	1,241.8	3,869.0	32.1%
12/31/84	9,935.7	8,751.6	88.08%	1,184.1	3,655.0	32.4%
12/31/83	8,852.8	7,718.9	87.19%	1,133.9	3,503.0	32.4%

**Solvency Test  
(Millions \$)**

**Accrued Liability for:**

Valuation Year	Valuation Assets	Retirants And Beneficiaries	% Funded	Active Member Contributions	% Funded	Active Members (Employers Share)	% Funded	Total	% Funded
1992	\$ 22,943.2	8,991.0	100.00%	7,026.3	100.00%	8,910.8	77.72%	24,928.1	92.04%
1991	20,892.7	8,239.1	100.00%	6,426.9	100.00%	8,208.9	75.85%	22,874.9	91.30%
1990	18,480.8	7,312.4	100.00%	5,694.5	100.00%	7,392.0	74.05%	20,398.9	90.60%
1989	17,491.8	6,365.5	100.00%	5,592.1	100.00%	7,391.8	74.87%	19,349.4	90.40%
1988	15,039.9	5,002.2	100.00%	4,974.0	100.00%	6,950.0	72.86%	16,926.2	88.86%
1987	13,143.0	4,382.5	100.00%	4,343.2	100.00%	5,747.0	76.86%	14,472.7	90.81%
1986	11,789.6	3,795.6	100.00%	3,909.0	100.00%	5,370.1	76.07%	13,074.7	90.17%
1985	10,259.8	3,221.3	100.00%	3,421.1	100.00%	4,859.2	74.44%	11,501.6	89.20%
1984	8,751.6	2,584.7	100.00%	2,937.9	100.00%	4,413.1	73.17%	9,935.7	88.08%
1983	7,718.9	2,119.7	100.00%	2,635.7	100.00%	4,097.4	72.33%	8,852.8	87.19%

### Changes in Number of Annuitants

<u>Year</u>	<u>Annuity Type</u>	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
1992	Retirement	73,383	3,993	2,088	75,288
	Disability	4,535	343	164	4,714
	Beneficiary	1,547	35	76	1,506
	Totals	<u>79,465</u>	<u>4,371</u>	<u>2,328</u>	<u>81,508</u>
1991	Retirement	71,726	3,826	2,169	73,383
	Disability	4,353	362	180	4,535
	Beneficiary	1,587	33	73	1,547
	Totals	<u>77,666</u>	<u>4,221</u>	<u>2,422</u>	<u>79,465</u>
1990	Retirement	67,383	6,389	2,046	71,726
	Disability	4,201	333	181	4,353
	Beneficiary	1,648	27	88	1,587
	Totals	<u>73,232</u>	<u>6,749</u>	<u>2,315</u>	<u>77,666</u>
1989	Retirement	64,283	5,097	1,997	67,383
	Disability	4,046	320	165	4,201
	Beneficiary	1,688	24	64	1,648
	Totals	<u>70,017</u>	<u>5,441</u>	<u>2,226</u>	<u>73,232</u>
1988	Retirement	62,094	4,377	2,188	64,283
	Disability	3,861	368	183	4,046
	Beneficiary	1,733	34	79	1,688
	Totals	<u>67,688</u>	<u>4,779</u>	<u>2,450</u>	<u>70,017</u>
1987	Retirement	59,954	4,125	1,985	62,094
	Disability	3,695	342	176	3,861
	Beneficiary	1,776	36	79	1,733
	Totals	<u>65,425</u>	<u>4,503</u>	<u>2,240</u>	<u>67,688</u>
1986	Retirement	57,662	4,154	1,862	59,954
	Disability	3,471	362	138	3,695
	Beneficiary	1,820	26	70	1,776
	Totals	<u>62,953</u>	<u>4,542</u>	<u>2,070</u>	<u>65,425</u>
1985	Retirement	55,105	4,334	1,777	57,662
	Disability	3,281	347	157	3,471
	Beneficiary	1,916	22	118	1,820
	Totals	<u>60,302</u>	<u>4,703</u>	<u>2,052</u>	<u>62,953</u>
1984	Retirement	52,638	4,768	2,301	55,105
	Disability	3,201	273	193	3,281
	Beneficiary	1,931	17	32	1,916
	Totals	<u>57,770</u>	<u>5,058</u>	<u>2,526</u>	<u>60,302</u>
1983	Retirement	50,092	4,209	1,663	52,638
	Disability	3,060	295	154	3,201
	Beneficiary	1,990	28	87	1,931
	Totals	<u>55,142</u>	<u>4,532</u>	<u>1,904</u>	<u>57,770</u>

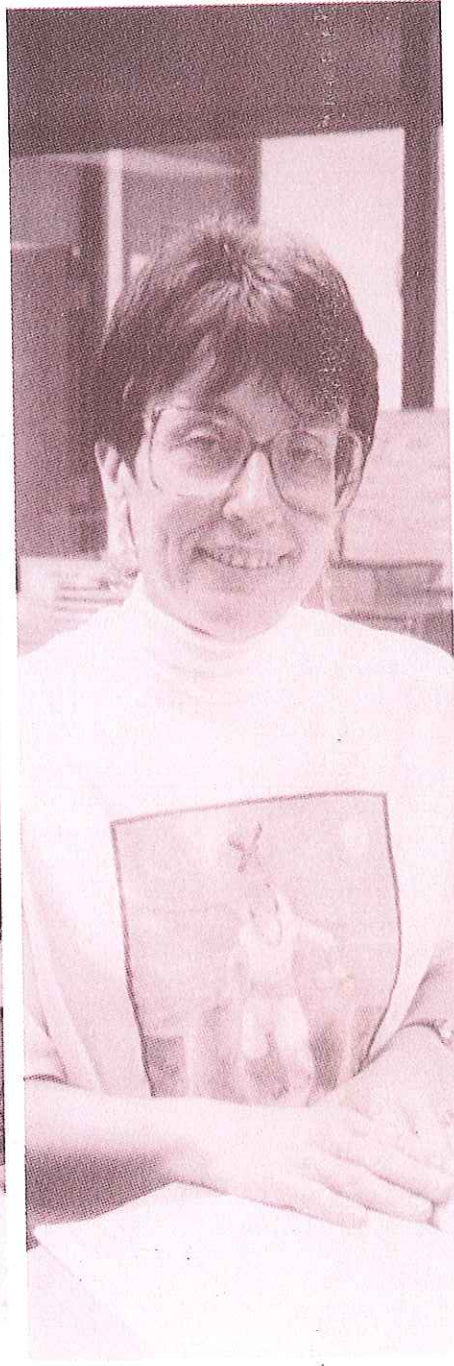
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1992 Comprehensive Annual Financial Report

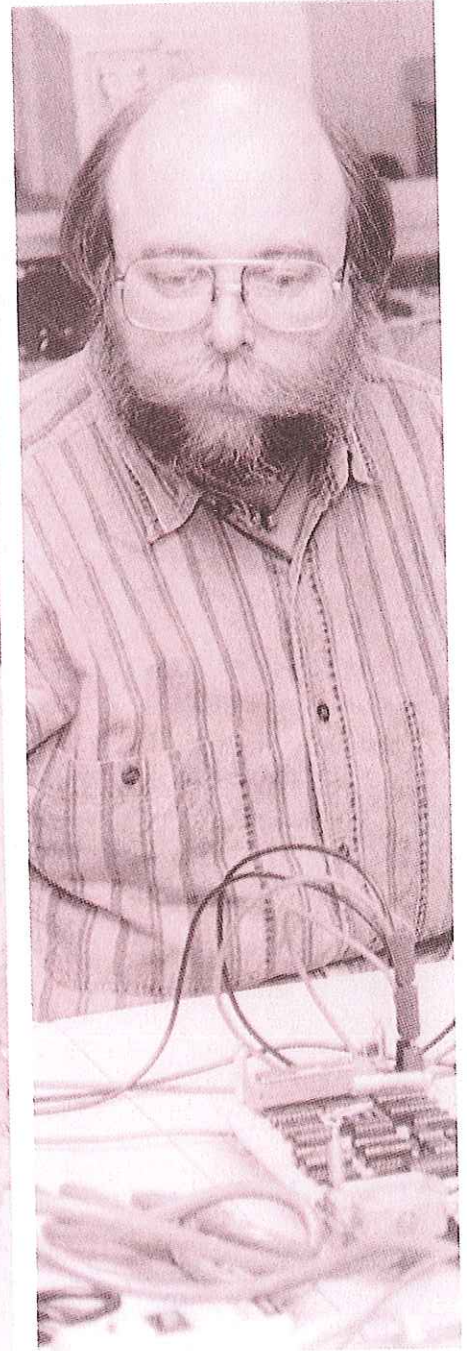
# INVESTMENTS AND ADMINISTRATIVE EXPENSE



*UW-Madison*



*UW Center-Waukesha*



*UW-Stout/Menomonic*

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# State of Wisconsin Investment Board

The State of Wisconsin Investment Board (SWIB) manages and invests the assets of the Wisconsin Retirement System and other benefit plans. Although a separate agency from the Department of Employee Trust Funds, its functions are directly related because it invests contributions by both employers and employees in the WRS.

Over the long term, investment earnings play a major role in the viability of the retirement system. The funding of the retirement system assumes that some of the costs of benefits will be paid from investment earnings. Without these earnings, employer and employee contributions would have to increase to maintain retirement benefit levels for the future.

The relationship between ETF and SWIB, in a nutshell, is this: ETF's Actuary determines how much of the funds will be needed to cover the annual pensions and benefits to be paid out. SWIB needs to create investment earnings to at least meet that need, when added to contributions already received or anticipated, so that contribution rates from employers and employees will not have to be increased. If SWIB exceeds the earnings assumption, the result may be post-retirement benefit increases (dividends) for retired persons, increased interest credited to the accounts of active employees and reduced employer and employee contributions. Other actuarial factors, such as life expectancy changes, may also affect these results.

SWIB pools all assets and manages them as either part of the Fixed Retirement Investment Trust or the Variable Retirement Investment Trust. As of December 31, 1992, the assets of the fixed trust were \$23.0 billion, up \$2.0 billion from the previous year. The assets in the variable trust were \$3.3 billion, up \$240 million from the previous year. Besides the assets of the retirement trusts, SWIB is responsible for management and investment of other smaller, special

purpose accounts such as the State Life Insurance Fund, the Local Government Property Insurance Fund and the State Historical Society Trust Fund. The two retirement trusts make up about 85% of the total assets managed by SWIB.

SWIB issues its own annual report, and readers who want more information about the investment program may call (608) 266-2381 to receive a copy.

The Trustees of the Investment Board as of December 31, 1992, their affiliations and appointment process, were as follows:

1. Five public members appointed by the Governor, four of whom must, by statute, have 10 years of professional investment experience:

**Eugene G. Martin, chair**, Executive Vice President, National Investment Services of America, Milwaukee.

**Maureen J. Oster, vice-chair**, President, Johnson Asset Management, Milwaukee.

**Richard H. Lillie, M.D.**, Investor, real estate developer and retired surgeon, Milwaukee.

**Mark J. McMullen**, Executive Vice President-Investments, Associated Kellogg Bank, Green Bay.

**Philip M. Gelatt**, President, Northern Engraving Corp., Sparta

2. Two Retirement System members, appointed by the Wisconsin Retirement Board (WRB) and the Teachers Retirement Board (TRB):

**Eric O. Stanchfield**, Secretary, Department of Employee Trust Funds, Madison, appointed by the WRB.

**George H. Hahner**, retired teacher, Racine, appointed by the TRB.

3. Secretary of the Wisconsin Department of Administration, ex-officio:

**James R. Klauser**, Madison.



The staff of the Investment Board is headed by Patricia Lipton, the Executive Director, who is appointed by the Board of Trustees. The agency is divided into eight areas of responsibility. There are six investment divisions: Public Bonds, Private Placements, Real Estate and Mortgages, Common Stocks, Special Equities, and Liquid Assets. There are two support units: Legal Services and Accounting Operations/Administration.

### **Fixed Retirement Investment Trust (Balanced Trust)**

All employee and employer contributions from the retirement system for active and retired participants are allocated to this trust — except for amounts employee participants elect to allocate to the Variable Retirement Investment Trust. About 83% of the \$23.0 billion holdings in the fixed or balanced trust at the end of 1992 were in public bonds and private securities and common and preferred stocks, as shown in the table below. Holdings in the trust as of December 31, 1992 as compared with December 31, 1991 were:

### **Variable Retirement Investment Trust**

The Variable trust was established in 1958 with nearly all the assets invested in common stocks. Those who elected to participate can have up to one-half of their retirement contributions, and a matching amount of employer contributions, credited to this trust. The rest is credited to the Fixed trust. The Variable was designed to allow participants to share in the overall expansion of the economy through the stock market, and thus it is more volatile depending on annual market performance through the years. The variable trust was closed, however, to new participants effective April 30, 1980 by passage of Chapter 221, Laws of 1979. It was closed because of participant complaints about losses during years of low stock market returns and because the Fixed Trust also was increasingly being invested in common stocks. Holdings in the trust as of December 31, 1992 and 1991, valued at market, were as follows.

**Table 2  
Fixed (Balanced) Trust**

(in millions of \$)	12/31/92	12/31/91
At market value		
Short Term Reserves	\$ 871.6	\$ 671.5
Bonds	5,464.0	5,626.7
Private Placements	2,871.2	2,981.6
Real Estate	336.4	309.9
Stocks	10,693.3	9,331.0
Limited Partnerships	1,116.4	978.9
International Investment	1,016.8	774.3
Miscellaneous	600.2	256.4
<b>Totals</b>	<b>\$ 22,969.9</b>	<b>\$ 20,930.3</b>

**Table 3  
Variable Trust**

(in millions of \$)	12/31/92	12/31/91
At market value		
Short Term Reserves	\$ 180.6	\$ 72.4
Bonds	4.2	4.7
Stocks	2,803.9	2,743.5
Limited Partnerships	14.2	14.1
International Investments	266.6	227.7
Miscellaneous	32.5	0
<b>Totals</b>	<b>\$ 3,302.0</b>	<b>\$3,062.4</b>

The investment earnings rates which affect active WRS participants over recent years are shown in table 4.

**Table 4**  
**Effective Earnings Rates**  
**Active Members**

Year	Fixed	Variable
1983	11.2%	26.0%
1984	11.4	6.0
1985	12.5	33.0
1986	12.7	13.0
1987	14.0	(Loss) (1.0)
1988	10.2	22.0
1989	18.1	24.0
1990	8.6	(Loss) (11.0)
1991	12.1	28.0
1992	10.2	11.0

The post-retirement benefit adjustments for both trusts for recent years are in table 5.

**Table 5**  
**Annuitant Experience**  
**Variable Adjustments and Fixed Dividends**

Year*	Fixed	Variable
1984	5.0%	18.0%
1985	6.0	0.0
1986	7.2	26.0
1987	7.6	8.0
1988	6.7	(Loss) (6.0)
1989	4.1	14.0
1990	11.3	16.0
1991	3.6	(Loss)(14.0)
1992	6.3	18.0

\*Figures reflect year in which benefit increase (decrease) was initially paid. The month of the change varies by fund and year. Fixed dividends and variable adjustments represent the net result of investment experience after taking into consideration the assumed investment return.

**Administrative Expenses**  
**Department of Employee Trust Funds**

The following two tables illustrate the administrative expenses to operate the Department of Employee Trust Funds. The agency's expenditures for the past three fiscal years are shown in table 6. Expenditures for the department's staff and all its operations are shown in table 7 as a proportion of the total net assets managed by the Investment Board. For 1992-93, the \$16.9 million ETF expenditures were six-100ths of one percent of the net assets.

**Table 6**  
**Department of Employee Trust Funds**  
**Administrative Expenditures**

	FY 1993	FY 1992
<b>Personnel Costs:</b>		
Salaries & Wages	\$ 5,229,189	4,862,788
Fringe Benefits	1,748,620	1,613,888
Travel & Training	86,687	97,237
<b>Office Expenses:</b>		
Postage	403,369	385,834
Office Space	440,946	360,353
Printing	249,967	223,173
Miscellaneous	81,667	68,178
Supplies	70,703	81,375
Repairs & Maintenance	63,656	67,640
Telephone	64,360	55,437
Equipment Rental	45,342	53,700
Insurance	5,419	4,717
<b>Professional Services:</b>		
Investment Services (SWIB)	6,119,100	5,777,200
Data Processing	1,623,184	1,001,933
Actuarial	96,943	150,875
Auditing	27,000	0
Legal	59,438	49,031
Consultants	30,450	11,717
Permanent Property	450,089	143,053
<b>Total Expenditures</b>	<b>\$ 16,896,129</b>	<b>15,008,129</b>

**Table 7**  
**Administrative Expense Ratios**  
*(Amounts in Thousands)*

<b>Fiscal Year</b>	<b>Admin Expense (1)</b>	<b>Net Assets Year End</b>	<b>Ratio to Net Assets</b>	<b>Total Revenues (2)</b>	<b>Ratio to Revenues</b>	<b>Total Expenses</b>	<b>Ratio to Expenses</b>
1983-84	\$ 6,613	8,438,095	0.08%	1,998,574	0.33%	983,286	0.67%
1984-85	7,129	9,728,368	0.07%	2,370,443	0.30%	1,054,095	0.68%
1985-86	8,609	11,414,843	0.08%	2,849,781	0.30%	1,163,306	0.74%
1986-87	10,284	13,188,929	0.08%	3,062,747	0.34%	1,288,661	0.80%
1987-88	11,844	14,742,166	0.08%	2,365,947 (3)	0.50%	703,788 (3)	1.68%
1988-89	12,250	19,170,850 (4)	0.06%	2,432,821 (5)	0.50%	829,685	1.48%
1989-90	14,140	20,140,993	0.07%	4,235,438	0.33%	810,213	1.75%
1990-91	13,673	19,750,903	0.07%	719,105	1.90%	1,003,675	1.36%
1991-92	15,008	23,634,667	0.06%	5,023,361	0.30%	1,091,205	1.38%
1992-93	16,896	26,731,056	0.06%	3,477,816	0.49%	1,252,557	1.35%

- (1) Administrative expense includes ETF administrative expenses, including SWIB charges for investment services. It does not include the cost of Third Party Administrator contracts for Income Continuation Insurance, Health Insurance, Deferred Compensation and Employee Reimbursement Accounts.
- (2) Revenues include only those premiums, contributions and deferrals received by ETF. Local government life insurance premiums and deferred compensation deferrals paid directly from the employer to the Third Party Administrator are not included in Revenues.
- (3) Effective January 1, 1988 ETF no longer served as a depository for social security contributions from local governments.
- (4) Net asset value was increased by \$2,757,272,985 as of June 30, 1989 to reflect a change in investment valuation to current market value.
- (5) Effective January 1, 1989 revenues include gains and losses on the valuation of investments to current market value.

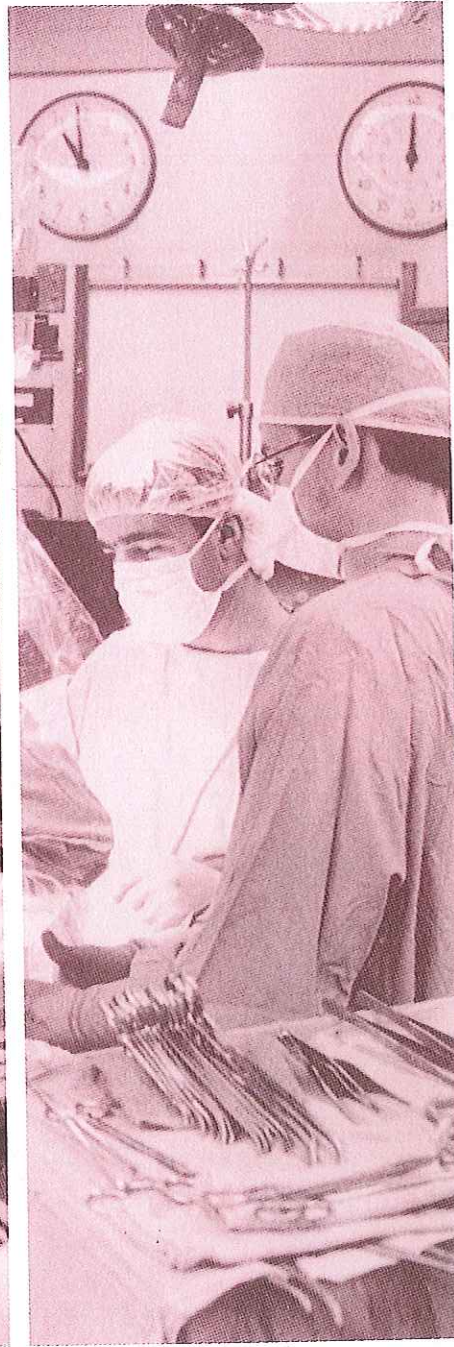
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1992 Comprehensive Annual Financial Report

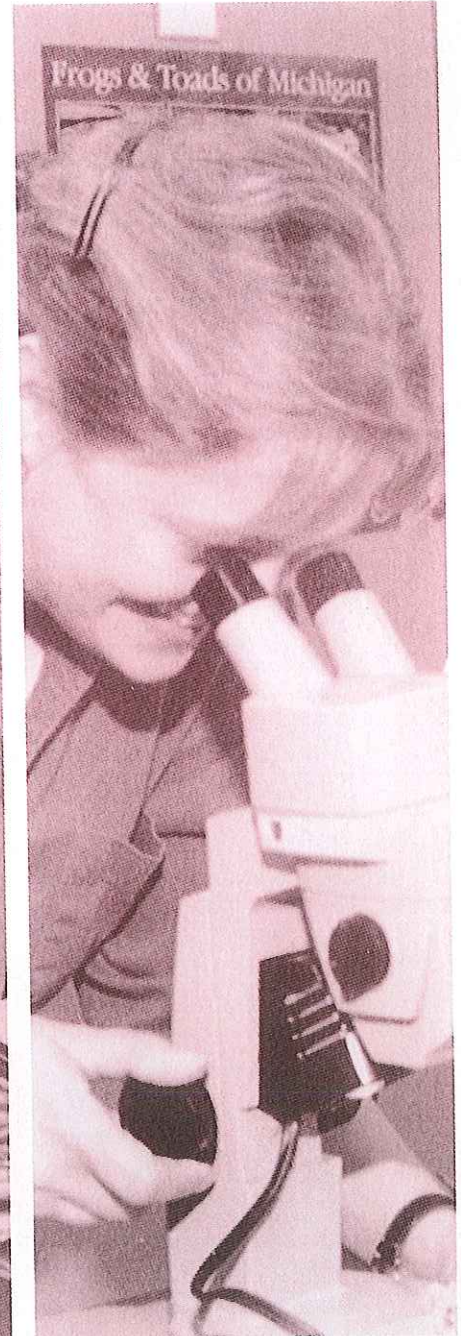
# EMPLOYERS AND PRIOR SERVICE BALANCE



UW-Veterinary



UW-Hospital



UW-Science

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*Wisconsin Retirement System Employers  
and Their Unfunded Liability (Prior Service Balance) (1)  
Dec. 31, 1992*

*State Agencies (61 Employers)*

Name	Covered Payroll	Required Contributions	Unfunded Liability
ADMINISTRATION .....	\$ 29,375,029	4,390,529	11,010,558
AGRICULTURE TRADE, CONS PROT .....	18,565,058	2,702,486	7,148,310
ARTS BOARD .....	287,593	44,110	32,125
BANKING COMMISSIONER'S OFFICE .....	2,634,839	385,655	892,284
BOARD AGING & LONG TERM CARE .....	358,190	51,579	31,941
CONSERVATION CORPS BOARD .....	387,554	58,133	(17,028)
CORRECTIONS .....	124,693,259	21,457,473	(4,516,255)
COURTS - STATE .....	34,350,549	5,939,422	5,112,763
CREDIT UNIONS COMMISSNRS OFFICE .....	748,001	113,474	258,460
DEVELOPMENT .....	5,013,785	745,400	1,219,058
DISTRICT ATTORNEYS .....	14,876,869	2,331,436	(554,450)
EDUCATIONAL COMMUNICATIONS BD .....	3,349,455	497,727	661,753
ELECTIONS BOARD .....	355,497	54,092	39,570
EMPLOYE TRUST FUNDS .....	4,892,939	715,902	1,322,584
EMPLOYMENT RELATIONS COMM .....	1,542,837	233,070	421,233
EMPLOYMENT RELATIONS .....	3,098,245	465,334	622,531
ETHICS BOARD .....	209,371	33,326	2,143
EXECUTIVE OFFICE .....	1,215,860	184,057	447,512
GAMING COMMISSION, STATE .....	1,325,222	196,628	(18,134)
HEALTH & EDUC FACILITIES AUTH .....	133,533	19,229	14,062
HEALTH & SOCIAL SERVICES .....	206,206,950	30,536,410	112,336,555
HIGHER EDUCATIONAL AIDS BOARD .....	518,833	78,399	861,255
HISTORICAL SOCIETY - STATE .....	5,546,539	807,526	1,515,668
HOUSING & ECON DEVELOP AUTH .....	5,641,474	812,372	263,047
INDUSTRY, LABOR, HUM REL .....	63,441,762	9,179,899	22,757,260
INSURANCE COMMISSIONER'S OFFICE .....	3,686,337	538,741	1,002,758
INVESTMENT BOARD .....	3,504,920	549,178	346,659
JT SURVEY COMM ON RETIREM SYS .....	102,313	17,475	48,077
JUDICIAL COMMISSION .....	79,804	14,232	18,561
JUDICIAL COUNCIL .....	77,981	14,355	23,623
JUSTICE .....	18,776,819	2,927,987	3,552,722
LEGIS ASSEMBLY - CHIEF CLERK .....	9,796,500	1,589,281	1,621,796
LEGIS ASSEMBLY-SGT AT ARMS .....	460,738	68,581	79,806
LEGISLATIVE AUDIT BUREAU .....	2,714,513	398,659	627,649
LEGISLATIVE COUNCIL .....	1,391,916	204,395	327,469
LEGISLATIVE FISCAL BUREAU .....	1,310,718	193,017	246,374
LEGISLATIVE REFERENCE BUREAU .....	1,809,843	265,139	436,345
LEGISLATURE - SENATE .....	6,654,009	1,024,017	1,128,627
LIEUTENANT GOVERNOR'S OFFICE .....	271,232	42,001	(3,713)
LOTTERY BOARD, STATE .....	2,997,842	443,305	(22,099)
LOWER WIS. STATE RIVERWAY BD .....	53,874	9,623	(1,249)
MILITARY AFFAIRS .....	8,181,809	1,263,962	1,484,136
MINNESOTA-WISC BOUNDARY COMM .....	146,954	21,161	23,673
NATURAL RESOURCES .....	92,858,928	14,590,404	32,414,931
PERSONNEL COMMISSION .....	438,470	72,290	49,606
PUBLIC DEFENDER'S OFFICE .....	17,513,619	2,536,269	1,639,593
PUBLIC INSTRUCTION .....	22,403,515	3,256,887	8,033,740
PUBLIC SERVICE COMMISSION .....	6,706,213	995,088	2,084,500
RACING BOARD, STATE .....	1,388,128	205,309	(58,879)
REGULATION & LICENSING .....	3,686,962	546,568	821,308
REVENUE .....	34,629,180	5,031,068	13,144,176
REVISOR OF STATUTES BUREAU .....	304,565	47,213	100,673
SAVINGS & LOAN COMM'S OFFICE .....	509,605	78,160	204,093
SECRETARY OF STATE'S OFFICE .....	1,236,746	183,204	231,023
SECURITIES COMMISSIONERS OFFICE .....	1,084,052	162,609	258,614
STATE FAIR PARK BOARD .....	1,347,125	209,174	214,419
TRANSPORTATION .....	136,259,068	20,890,151	47,352,715
TREASURER'S OFFICE - STATE .....	431,795	66,881	203,945
VETERANS AFFAIRS .....	17,919,183	2,597,699	5,936,081
VOC TECH & ADULT EDUC BOARD .....	3,340,345	496,002	1,824,658
WISCRAFT INC - ENT FOR BLIND .....	647,921	93,301	233,304
State Agency Totals .....	\$ 933,492,783	143,677,053	287,494,523

(1) Some employers, when they came under the Wisconsin Retirement System, chose to cover the past service of their employees working before the entry date. In addition new unfunded costs for past service sometimes are created by legislated benefit improvements. Unfunded liability, or prior service balance, means the additional amount of money eventually needed for retirement benefits for those prior years. "Covered payroll" is the total paid to employees covered by the Wisconsin Retirement System. "Required Contributions" is the amount for the year each employer contributes to the WRS for future benefits.

## University of Wisconsin (2 Employers)

Name	Covered Payroll	Required Contributions	Unfunded Liability
UNIV OF WIS SYSTEM-CEN ADMIN .....	\$ 266,061,153	38,529,717	88,557,670
UNIVERSITY OF WISCONSIN SYSTEM .....	690,957,092	99,843,829	203,192,065
University of Wisconsin Totals .....	\$ 957,018,246	138,373,546	291,749,735

## First Class Cities (152 Employers)

[Protective and other municipal employes]

Name	Covered Payroll	Required Contrib.	Unfunded Liability
ABBOTSFORD	\$ 198,207	21,803	0
ADAMS	340,478	46,716	76,539
ALGOMA	1,816,575	239,351	723,380
ALTOONA	794,286	115,783	222,346
AMERY	417,665	56,944	13,062
ANTIGO	2,300,364	369,266	779,834
APPLETON	19,406,325	3,215,643	6,681,657
ASHLAND	2,967,135	507,159	1,011,768
BARABOO	2,212,911	323,268	726,873
BARRON	786,627	111,429	343,701
BAYFIELD	204,059	26,852	31,317
BEAVER DAM	3,330,025	524,386	1,229,658
BELOIT	13,447,506	2,301,200	3,022,122
BERLIN	1,291,336	181,123	287,680
BLACK RIVER FALLS	1,011,181	143,944	387,795
BLAIR	187,118	26,466	43,313
BOSCOBEL	763,795	102,947	258,162
BRILLION	354,882	46,735	11,981
BRODHEAD	583,828	86,130	258,509
BROOKFIELD	10,035,416	1,798,346	1,992,232
BUFFALO CITY	25,947	2,880	793
BURLINGTON	2,360,286	346,120	575,751
CEDARBURG	2,619,320	363,803	689,219
CHILTON	560,073	81,345	198,577
CHIPPEWA FALLS	4,546,342	755,715	1,571,279
CLINTONVILLE	1,196,710	192,825	637,007
COLUMBUS	971,831	136,404	404,779
CRANDON	260,192	36,833	64,858
CUBA CITY	321,526	45,581	129,468
CUDAHY	4,768,803	891,092	2,214,705
CUMBERLAND	711,715	99,564	298,701
DARLINGTON	373,213	53,422	121,463
DE PERE	4,868,572	778,098	1,121,463
DELAFIELD	741,748	112,680	130,597
DELAVAN	1,495,299	211,885	329,939
DURAND	351,800	51,021	133,108
EAGLE RIVER	572,356	82,964	256,873
EAU CLAIRE	18,720,860	3,004,763	5,545,143
EDGERTON	898,746	127,130	242,754
ELKHORN	1,221,822	169,418	282,328
ELROY	339,020	43,739	61,142
EVANSVILLE	878,175	120,684	250,265
FITCHBURG	1,887,683	271,523	226,472
FOND DU LAC	12,316,260	2,133,942	4,306,819
FORT ATKINSON	2,446,665	362,208	764,745
FOX LAKE	165,967	22,195	65,175
GALESVILLE	193,208	27,485	63,217
GLENDALE	4,487,093	992,486	1,939,208
GREEN BAY	34,882,756	5,781,413	11,570,894
GREEN LAKE	242,320	35,358	76,443
GREENFIELD	7,779,098	1,281,101	1,185,090
HARTFORD	2,803,500	378,131	901,159
HORICON	854,306	126,442	272,660
HUDSON	2,018,078	282,196	419,572
HURLEY	322,397	49,017	179,515
JANESVILLE	14,937,158	2,616,264	4,482,080
JEFFERSON	1,401,763	198,214	469,103
JUNEAU	459,631	61,550	143,167
KAUKAUNA	4,612,919	691,672	1,506,610
KENOSHA	23,978,510	4,274,507	9,089,664
KEWAUNEE	555,575	81,721	240,358
KIEL	834,218	114,561	307,580
LA CROSSE	16,755,611	2,785,345	5,424,294
LADYSMITH	781,195	108,591	174,273
LAKE GENEVA	1,707,713	244,797	460,524
LAKE MILLS	960,081	136,326	469,206
LANCASTER	2,352,177	304,443	970,144
LODI	445,645	61,052	115,302
MADISON	78,498,041	12,593,469	26,071,373
MANAWA	172,886	24,079	61,379
MANITOWOC	13,268,522	2,048,821	5,349,424
MARINETTE	3,942,434	631,100	1,149,549
MARKESAN	206,395	29,296	38,372
MARSHFIELD	6,879,209	1,139,604	2,497,257
MAYVILLE	908,604	125,530	228,035
MEDFORD	936,532	131,965	338,090
MENASHA	6,730,985	1,105,595	2,209,076
MENOMONIE	3,544,928	647,691	887,191
MEQUON	4,445,709	631,354	978,476
MERRILL	3,424,315	602,116	1,284,317
MIDDLETON	2,183,822	309,300	346,470
MILTON	749,788	102,394	135,696
MILWAUKEE CITY			
EMPL RETIREMT(2)	0	0	330,930
MONDOVI	406,343	56,476	138,442
MONONA	1,710,142	255,897	361,473
MONROE	2,310,689	326,980	616,184
MONTELLO	162,113	23,371	36,777
MOSINEE	569,465	82,501	144,639
NEENAH	7,351,982	1,318,948	2,462,489
NEILLSVILLE	503,040	72,428	287,306
NEKOOSA	673,783	93,944	262,950
NEW BERLIN	6,169,832	961,000	1,098,096
NEW HOLSTEIN	940,181	125,214	(619)
NEW LONDON	1,869,023	263,695	605,921
NEW RICHMOND	1,219,455	163,933	265,429
OAK CREEK	6,360,511	1,077,348	2,102,912
OCONOMOWOC	3,333,758	485,166	1,397,350
OCONTO FALLS	659,246	88,615	121,628
OCONTO	1,065,247	181,296	381,669
OMRO	525,194	84,692	482,961
ONALASKA	1,549,906	225,790	293,226
OSHKOSH	16,432,137	2,670,539	5,920,925
OWEN	219,863	30,697	47,145
PARK FALLS	575,313	83,134	264,124
PHILLIPS	405,690	59,796	125,531
PLATTEVILLE	2,035,682	290,554	831,342
PLYMOUTH	2,100,968	285,493	741,592
PORT WASHINGTON	2,379,067	335,410	652,110
PORTAGE	1,866,653	264,826	63,492
PRAIRIE DU CHIEN	1,054,292	177,250	918,490
PRINCETON	242,863	36,497	132,140
RACINE	35,242,310	6,128,858	12,865,785
REEDSBURG	1,396,293	196,919	544,828
RHINELANDER	2,693,024	427,229	807,879
RICE LAKE	2,744,715	430,802	761,584
RICHLAND CENTER	1,317,429	182,323	512,538
RIPON	1,287,849	182,201	392,740
RIVER FALLS	2,643,546	358,203	658,849
SEYMOUR	575,886	80,944	195,643

(2) Based on former employes of Town of Lake before Township was annexed many years ago by Milwaukee. Includes one employe; no new ones will be added.

SHAWANO	2,226,554	312,000	599,009
SHEBOYGAN FALLS	1,089,593	148,316	295,337
SHEBOYGAN	16,782,571	2,740,742	7,355,810
SHELL LAKE	199,523	26,672	41,699
SOUTH MILWAUKEE	5,630,906	1,048,624	2,165,801
SPARTA	1,338,465	188,713	371,084
SPOONER	524,674	77,276	283,086
ST FRANCIS	2,265,810	452,590	555,938
STANLEY	369,257	51,199	111,067
STEVENS POINT	6,249,727	1,056,448	1,662,021
STOUGHTON	2,426,020	330,773	668,936
STURGEON BAY	2,689,686	430,289	1,221,251
SUPERIOR	8,646,904	1,541,765	3,580,474
THORP	251,853	34,447	70,667
TOMAH	1,779,203	246,399	417,083
TOMAHAWK	798,496	112,676	380,725
TWO RIVERS	4,223,007	733,718	2,185,428
VERONA	784,301	125,194	303,605
WASHBURN	484,468	68,777	191,790
WATERTOWN	4,874,129	757,056	1,158,344
WAUKESHA	17,303,126	2,898,010	4,309,873
WAUPACA	1,312,436	187,728	385,592
WAUPUN	2,055,599	287,697	711,981
WAUSAU	9,290,838	1,569,818	3,753,836
WAUTOMA	229,240	33,824	85,995
WAUWATOSA	16,346,676	2,993,710	7,129,959
WEST ALLIS	22,008,020	3,974,455	9,974,025
WEST BEND	6,398,047	1,092,749	1,683,531
WESTBY	410,108	53,488	93,487
WHITEHALL	335,473	46,585	128,233
WHITEWATER	2,415,410	347,776	636,431
WISCONSIN DELLS	1,250,037	174,001	417,558
WISCONSIN RAPIDS	8,488,605	1,361,662	2,731,834

First Class City Totals \$ 641,400,023 105,112,453 214,348,106

### Fourth Class Cities (35 Employers)

[Protective Employees Only]

Name	Covered Payroll	Required Contrib.	Unfunded Liability
ALMA	\$ 39,179	7,326	13,609
ARCADIA	109,821	20,097	15,999
AUGUSTA	203,698	27,567	9,995
BLOOMER	193,611	36,786	71,768
CHETEK	128,564	23,270	5,606
CORNELL	417,126	52,037	0
DODGEVILLE	233,663	42,293	19,273
FENNIMORE	133,638	24,189	21,176
FOUNTAIN CITY	21,963	3,953	2,785
FRANKLIN	2,149,610	384,780	147,493
GILLETT	87,561	16,199	16,993
GLENWOOD CITY	39,516	7,152	3,817
GREENWOOD	75,648	13,768	4,888
HAYWARD	116,331	20,823	7,522
HILLSBORO	42,053	7,527	4,690
INDEPENDENCE	146,128	20,133	12,952
LOYAL	67,412	12,067	7,083
MARION	71,291	12,761	5,758
MAUSTON	212,089	37,964	23,007
MELLEN	20,272	3,829	2,277
MINERAL POINT	135,019	24,168	10,259
MUSKEGO	1,099,547	202,317	83,207
NEW LISBON	54,083	9,735	5,958
NIAGARA	450,399	63,424	147,350
OSSEO	70,786	12,741	9,330
PESHTIGO	171,307	32,034	50,669
PITTSVILLE	55,864	10,056	4,790
PRESOTT	163,990	29,354	15,325
SCHOFIELD	189,417	35,421	44,851
SHULLSBURG	54,530	9,761	6,637
ST CROIX FALLS	321,000	41,870	9,885
SUN PRAIRIE	953,565	172,595	102,715
VIROQUA	286,158	51,508	27,623
WATERLOO	714,604	93,802	106,811
WEYAUWEGA	104,513	18,812	8,896

Fourth Class City Totals \$ 9,333,954 1,581,922 1,030,997

### Villages (141 Employers)

Name	Covered Payroll	Required Contrib.	Unfunded Liability
ALBANY	\$ 132,528	18,530	22,677
ALLOUEZ	1,629,205	231,704	448,152
AMHERST	79,965	9,516	18,511
ARGYLE	101,602	12,346	0
ARLINGTON	40,954	5,324	21,700
ASHWAUBENON	3,097,816	463,929	428,031
ATHENS	96,510	13,017	22,470
BALDWIN	297,584	38,737	57,120
BALSAM LAKE	98,990	12,403	19,024
BAYSIDE	1,008,698	156,437	243,008
BELGIUM	88,032	10,916	21,720
BELLEVILLE	233,306	30,633	0
BELMONT	108,610	13,566	1,644
BENTON	84,469	11,132	18,548
BLACK EARTH	200,232	24,524	0
BLUE RIVER	54,925	6,042	0
BOYCEVILLE	122,969	17,277	50,595
BOYD	72,844	11,814	55,051
BROOKLYN	111,604	18,152	107,931
BROWN DEER	3,160,599	543,310	687,810
BUTLER	497,089	79,282	143,640
CAMPBELLSPORT	134,828	15,629	0
CEDAR GROVE	128,947	17,021	75,852
CENTURIA	148,737	21,273	66,537
CHENEQUA	421,089	72,242	104,249
CLEAR LAKE	219,599	26,881	0
CLEVELAND	82,807	11,380	15,922
CLINTON	277,992	36,671	0
CLYMAN	40,097	4,491	1,887
COBB	50,283	6,034	17,142
COMBINED LOCKS	393,019	55,082	94,063
COTTAGE GROVE	152,239	19,853	19,197
CROSS PLAINS	374,941	55,417	144,063
DALLAS	23,500	2,820	5,566
DANE	55,096	7,934	26,282
DARIEN	165,419	24,723	53,731
DE SOTO	24,835	3,058	1,423
DEFORREST	699,251	98,379	80,312
DOUSMAN	145,783	18,032	0
EAST TROY	641,450	94,296	246,972
EGG HARBOR	68,400	8,071	14,389
ELKHART LAKE	133,020	21,365	50,525
ELLSWORTH	319,092	44,288	35,363
ELM GROVE	1,345,208	205,498	312,518
EPHRAIM	105,434	12,462	8,974
FALL RIVER	75,838	10,279	10,063
FONTANA ON GNVA LK	516,249	76,088	169,983
FOX POINT	2,228,745	421,856	1,081,187
FRIENDSHIP	48,042	6,582	41,260
GAYS MILLS	46,373	7,220	44,985
GENOA CITY	140,092	20,188	39,886
GERMANTOWN	2,592,043	375,079	487,232
GRAFTON	1,771,906	255,221	463,083
GRANTSBURG	231,345	27,925	0
GREENDALE	3,366,940	640,620	892,255
GRESHAM	165,986	18,258	0
HALES CORNERS	1,523,881	232,876	314,308
HARTLAND	1,077,203	157,551	189,486
HAWKINS	19,473	2,629	18,567
HILBERT	104,564	11,502	0
HORTONVILLE	273,783	42,076	79,859
HOWARD	995,725	111,521	38,486
HUSTISFORD	236,073	30,570	71,574
IOLA	125,895	15,677	0
JACKSON	518,571	70,360	40,211
JOHNSON CREEK	147,286	16,884	0
KENDALL	28,537	4,235	17,458
KEWASKUM	459,677	65,400	118,424
KIMBERLY	939,239	127,127	205,270
KOHLER	451,158	68,009	206,046
LA FARGE	144,580	21,410	79,953
LAKE DELTON	502,767	82,141	123,669
LITTLE CHUTE	1,342,832	187,336	261,026
LUCK	206,243	26,033	37,337
LUXEMBURG	91,510	11,988	48,264
MAPLE BLUFF	418,941	71,023	141,346

MARATHON CITY	190,488	26,196	46,283	BARKSDALE (BAYFIELD)	35,691	4,497	17,300
MARSHALL	292,427	41,692	32,516	BELOIT (ROCK)	977,994	189,473	228,601
MCFARLAND	696,864	100,827	92,831	BENNETT (DOUGLAS)	20,707	2,878	17,419
MENOMONEE FALLS	6,488,846	935,093	1,617,486	BLOOMFIELD (WALWORTH)	257,879	41,568	42,439
MILLTOWN	145,365	18,714	24,379	BLOOMING GROVE (DANE)	127,462	24,971	116,155
MINONG	82,839	12,345	19,478	BOULDER JUNCTION (VILAS)	90,560	14,253	43,534
MISHICOT	112,147	14,395	36,240	BROCKWAY (JACKSON)	29,107	3,202	0
NEW GLARUS	351,270	58,328	203,421	BROOKFIELD (WAUKESHA)	456,476	66,952	11,120
NICHOLS	22,825	2,693	5,756	CALEDONIA (RACINE)	2,936,482	535,928	448,408
NORTH FOND DU LAC	665,744	93,705	133,921	CAMPBELL (LA CROSSE)	291,952	43,384	40,489
NORTH FREEDOM	33,000	3,630	(412)	CEDARBURG (OZAUKEE)	295,659	35,479	82,411
NORTH HUDSON	140,504	20,856	10,430	CLEAR LAKE (POLK)	24,235	3,247	14,326
OCONOMOWOC LAKE	233,177	41,105	39,651	CRESCENT (ONEIDA)	31,134	3,954	16,231
OOSTBURG	105,104	12,823	40,062	DAIRYLAND (DOUGLAS)	15,067	1,657	0
OREGON	695,490	111,913	471,618	DARIEN (WALWORTH)	24,326	2,871	5,416
ORFORDVILLE	178,287	22,422	0	DELANAVAN (WALWORTH)	358,223	57,093	64,154
OSCEOLA	306,942	43,874	92,067	DRUMMOND (BAYFIELD)	40,119	6,660	57,503
PADDOCK LAKE	144,148	18,085	13,465	DUNKIRK (DANE)	45,800	5,038	0
PARDEEVILLE	305,090	40,674	48,488	DUNN (DANE)	134,539	15,654	0
PLAIN	107,044	13,606	0	EAGLE POINT (CHIPPEWA)	60,129	9,146	39,335
PLEASANT PRAIRIE	1,805,119	305,553	240,233	EASTON (MARATHON)	51,010	5,611	0
PLOVER	980,267	135,974	88,983	EAU GALLE (DUNN)	29,003	3,915	22,217
PORT EDWARDS	375,999	52,516	132,183	ELLINGTON TOWN OF (OUTAGAMIE)	23,880	2,794	4,970
POUND	23,499	2,585	0	FLAMBEAU (RUSK)	17,199	2,501	9,362
POYNETTE	175,005	23,775	47,059	FLORENCE (FLORENCE)	250,552	34,636	133,940
PRAIRIE DU SAC	286,264	36,642	118,143	FREEDOM (SAUK)	18,355	2,019	0
PULASKI	445,019	61,056	0	GENEVA (WALWORTH)	146,186	23,386	41,428
RANDOM LAKE	164,862	20,937	36,528	GEORGETOWN (POLK)	22,887	4,165	51,842
RIB LAKE	100,635	12,132	0	GRAND CHUTE (OUTAGAMIE)	843,958	130,141	64,741
RIO	111,441	15,511	15,522	GRAND RAPIDS (WOOD)	277,275	36,470	0
RIVER HILLS	1,005,459	166,085	426,112	GREEN LAKE (GRN LAKE)	26,085	2,869	0
ROCK SPRINGS	20,805	2,806	3,171	GREENFIELD (LACROSSE)	33,608	3,697	0
ROSENDALE VILLAGE OF	88,886	11,455	0	HALLIE (CHIPPEWA)	248,359	36,602	0
ROSHOLT	19,761	2,391	6,242	HAZELHURST (ONEIDA)	47,288	5,344	5,759
ROTHSCHILD	435,625	65,311	136,621	HULL (PORTAGE)	193,866	23,148	0
SAUK CITY	647,039	97,422	170,086	JACKSON (WASHINGTON)	35,665	5,136	41,904
SAUKVILLE	704,396	96,784	86,420	KIMBALL (IRON)	40,971	5,531	28,960
SHARON	179,610	26,557	44,031	LA VALLE (SAUK)	68,972	9,967	7,080
SHOREWOOD HILLS	484,571	74,084	151,158	LAC DU FLAMBEAU (VILAS)	129,259	17,102	65,578
SHOREWOOD	3,669,886	649,907	1,577,323	LAND O LAKES (VILAS)	79,322	9,883	13,823
SISTER BAY	136,830	16,283	16,804	LAONA (FOREST)	40,163	5,984	15,040
SLINGER	338,750	41,618	39,411	LINN (WALWORTH)	132,402	23,440	40,347
SPENCER	189,900	27,800	60,906	LISBON (WAUKESHA)	288,286	40,136	109,421
ST NAZIANZ	72,945	8,753	17,435	LYONS (WALWORTH)	48,790	6,792	12,444
STRATFORD	154,646	19,635	0	MADISON (DANE)	1,348,564	217,891	218,466
STRUM	96,923	13,770	31,500	MAPLE (DOUGLAS)	20,963	2,557	30,534
SURING	81,514	9,958	18,933	MARENGO (ASHLAND)	16,693	1,836	0
SUSSEX	585,593	72,614	154,321	MEDFORD (TAYLOR)	22,468	2,696	6,442
THIENSVILLE	520,698	77,576	154,402	MENASHA (WINNEBAGO)	1,225,133	189,774	253,914
TREMPEALEAU	132,656	16,179	0	MENOMINEE (MENOMINEE)	37,499	10,036	18,036
TWIN LAKES	474,633	73,514	116,802	MERCER (IRON)	127,286	14,129	2,071
UNION CENTER	26,625	3,142	5,767	MERTON (WAUKESHA)	207,013	27,698	86,276
UNION GROVE	371,080	40,819	0	MID-WIS FEDERATED LIB SYS	179,868	20,685	18,499
VALDERS	120,700	14,363	27,309	MIDDLETON (DANE)	53,236	7,613	45,671
WALWORTH	293,591	44,466	40,051	MILLTOWN (POLK)	45,732	6,814	40,646
WAUNAKEE	839,497	114,992	176,907	MINOCQUA (ONEIDA)	708,913	105,158	209,010
WEST BARABOO	57,246	7,270	5,326	MISHICOT (MANITOWOC)	25,671	3,029	5,917
WEST MILWAUKEE	1,270,642	213,939	1,495,387	MOUNT PLEASANT (RACIN)	3,168,649	562,199	403,067
WESTFIELD	134,550	18,159	25,349	NEW HAVEN (DUNN)	18,829	2,222	3,797
WHITEFISH BAY	3,177,753	616,901	1,598,686	NEWBOLD (ONEIDA)	88,320	11,406	28,819
WHITING	113,223	13,360	18,878	NORWAY (RACINE)	117,951	14,295	3,688
WILLIAMS BAY	506,102	70,881	99,330	OCONOMOWOC (WAUKESHA)	532,567	87,090	91,994
WIND POINT	71,080	8,387	12,391	OMA (IRON)	39,397	4,334	0
WINNECONNE	377,373	53,915	81,402	PARKLAND (DOUGLAS)	42,462	4,713	1,006
WONEWOC	99,308	13,265	29,259	PELICAN (ONEIDA)	47,131	6,221	29,416
Villages Totals	\$ 71,526,702	10,931,180	19,397,871	PHELPS (VILAS)	64,373	7,081	0
				PINE LAKE (ONEIDA)	80,559	14,340	132,001
				PLEASANT SPRINGS (DANE)	57,545	8,366	22,894
				PLEASANT VALLEY EAUCLR)	42,300	5,330	11,711
				PORT WING (BAYFIELD)	26,408	2,905	0
				QUINCY (ADAMS)	33,358	4,613	6,096
				RICHMOND (WALWORTH)	24,566	2,899	5,404
				ROME (ADAMS)	226,294	34,122	0
				RUTLAND (DANE)	50,511	6,155	3,745
				SANBORN (ASHLAND)	41,172	4,899	0
				SHARON (WALWORTH)	27,120	5,977	(3,763)
				SHELBY (LA CROSSE)	218,416	30,634	105,312
				S. LANCASTER, TOWN (GRANT)	19,950	2,514	2,532
				SPRINGDALE (DANE)	29,113	3,202	0
				SPRINGFIELD (JACKSON)	25,765	3,401	16,546
				ST GERMAIN (VILAS)	53,966	6,422	4,306

### Towns (116 Employers)

Name (County)	Covered Payroll	Required Contrib.	Unfunded Liability
ADDISON (WASHINGTON)	\$ 22,942	3,831	44,971
ALBION (DANE)	50,665	7,042	43,511
ARBOR VITAE (VILAS)	76,232	10,341	25,581
ASHIPPUN (DODGE CO)	64,741	8,945	2,305
ASHLAND (ASHLAND)	18,026	2,001	406
ATHELSTANE (MARINETTE)	36,257	3,988	0
AZTALAN (JEFFERSON)	56,897	8,023	45,315
BARABOO (SAUK)	19,413	2,135	(27)



STRONGS PRAIRIE (ADMS)	0	0	0
SUMMIT (JUNEAU)	32,904	3,619	0
SUMMIT (WAUKESHA)	349,248	57,719	99,383
SUPERIOR (DOUGLAS)	49,745	6,915	42,163
THREE LAKES (ONEIDA)	261,456	35,181	0
TIFFANY (DUNN)	17,838	1,962	0
TROY (WALWORTH)	10,710	1,275	5,864
VERMONT (DANE)	23,004	2,530	0
VERNON (WAUKESHA)	313,038	44,202	185,410
VERONA (DANE)	47,695	5,931	0
VIROQUA (VERNON)	43,505	4,916	2,308
WABENO (FOREST)	49,969	6,796	16,004
WALWORTH (WALWORTH)	21,395	2,525	5,348
WASHINGTON (VILAS)	95,349	12,991	41,246
WASHINGTON (EAUCLAIRE)	119,506	15,291	37,765
WATERFORD (RACINE)	231,898	37,470	49,701
WESCOTT (SHAWANO)	93,697	11,806	14,004
WEST BEND (WASHINGTON)	45,013	5,311	8,216
WESTFIELD (SAUK CO)	18,111	1,992	0
WESTFORD (RICHLAND)	19,823	2,656	13,440
WESTON (MARATHON)	1,185,347	170,738	212,195
WESTPORT (DANE)	94,801	11,939	0
WILSON (SHEBOYGAN)	59,180	7,652	3,949
WINDSOR (DANE)	101,244	13,364	34,636
WINTER (SAWYER)	77,862	9,304	0
WOODRUFF (ONEIDA)	148,505	25,573	73,416
YORKVILLE (RACINE)	27,100	4,770	1,214

Town Totals \$ 22,325,763 3,505,165 4,726,075

### Counties (71 Employers)

[All But Milwaukee]

Name	Covered Payroll	Required Contrib.	Unfunded Liability
AADAMS	\$ 4,004,829	544,462	1,176,736
ASHLAND	2,673,306	376,817	1,127,705
BARRON	5,830,575	782,143	1,924,323
BAYFIELD	3,349,376	480,062	1,405,679
BROWN	35,995,686	4,737,749	10,184,237
BUFFALO	2,764,695	374,357	1,273,584
BURNETT	2,815,653	383,745	1,219,170
CALUMET	6,204,204	797,133	1,633,525
CHIPPEWA	8,047,341	1,072,063	2,640,863
CLARK	10,848,970	1,403,127	3,617,321
COLUMBIA	9,947,493	1,348,483	3,655,607
CRAWFORD	2,580,175	358,423	942,955
DANE	54,116,170	7,645,314	16,813,150
DODGE	18,398,157	2,375,226	5,969,312
DOOR	6,621,488	928,460	2,115,937
DOUGLAS	9,568,048	1,317,716	3,741,794
DUNN	11,300,277	1,424,142	3,493,476
EAU CLAIRE	14,553,732	1,898,791	3,783,676
FLORENCE	1,645,429	247,246	468,413
FOND DU LAC	18,041,767	2,300,943	5,362,029
FOREST	1,793,906	253,635	708,292
GRANT	7,565,252	985,696	2,661,276
GREEN	7,809,018	1,009,359	2,141,697
GREEN LAKE	3,186,500	444,931	1,001,139
IOWA	3,959,630	516,130	1,443,832
IRON	1,348,698	199,519	745,453
JACKSON	6,523,489	833,870	1,587,840
JEFFERSON	14,685,862	2,040,735	5,385,101
JUNEAU	5,697,716	780,562	2,071,350
KENOSHA	22,539,847	3,030,794	7,122,858
KEWAUNEE	3,815,163	534,112	1,422,014
LA CROSSE	19,837,949	2,472,540	5,346,291
LAFAYETTE	5,839,678	742,117	1,695,397
LANGLADE	3,737,151	505,356	1,161,359
LINCOLN	7,238,210	940,368	2,341,134
MANITOWOC	17,248,498	2,252,048	5,590,040
MARATHON	18,941,023	2,615,699	6,016,993
MARINETTE	9,898,640	1,275,761	2,944,170
MARQUETTE	2,540,233	369,739	1,032,877
MENOMINEE	1,950,448	248,456	379,446
MONROE	8,812,817	1,153,563	2,912,096
OCONTO	5,498,037	755,002	2,071,401
ONEIDA	4,805,743	648,711	1,347,429
OUTAGAMIE	21,571,409	2,857,000	6,734,707
OZAUKEE	11,550,543	1,560,833	3,258,322

PEPIN	2,209,763	292,048	660,139
PIERCE	6,461,474	886,850	2,502,543
POLK	7,011,732	958,393	2,853,537
PORTAGE	12,218,290	1,693,882	3,885,287
PRICE	3,310,717	456,774	1,102,928
RACINE	32,253,899	4,567,612	9,238,393
RICHLAND	5,188,878	679,188	1,834,698
ROCK	30,366,541	3,981,358	7,509,997
RUSK	6,600,326	833,811	1,777,373
SAUK	12,229,260	1,626,610	4,487,151
SAWYER	3,272,807	456,810	1,154,872
SHAWANO	7,531,782	1,098,380	2,987,062
SHEBOYGAN	28,848,810	3,691,178	9,052,384
ST CROIX	12,049,780	1,563,993	3,543,862
TAYLOR	3,480,531	468,453	1,092,437
TREMPEALEAU	7,457,289	965,012	2,324,018
VERNON	4,893,319	683,251	2,500,240
VILAS	3,217,543	490,205	1,079,639
WALWORTH	34,281,958	4,433,922	10,048,984
WASHBURN	3,113,385	424,768	1,269,458
WASHINGTON	16,324,000	2,113,542	4,194,092
WAUKESHA	36,263,255	4,751,701	9,956,842
WAUPACA	9,593,858	1,274,932	3,148,591
WAUSHARA	4,392,025	597,630	1,261,680
WINNEBAGO	24,224,508	3,168,836	6,436,610
WOOD	16,257,173	2,136,082	4,469,647

County Totals \$ 780,755,734 104,118,160 242,074,472

### School Districts/CESAs (462 Employers)

Name	Covered Payroll	Required Contrib.	Unfunded Liability
ABBOTSFORD	\$ 1,387,139	170,618	478,219
ADAMS-FRIENDSHIP AREA	6,132,548	754,303	1,726,408
ALBANY	1,472,470	179,641	375,207
ALGOMA	2,609,767	321,001	952,683
ALMA CTR-HUMBRD-MERIL	1,798,501	219,417	482,039
ALMA	1,258,599	153,549	352,143
ALMOND-BANCROFT	1,163,586	143,121	290,980
ALTOONA	3,536,790	435,025	931,504
AMERY	5,063,760	627,906	1,536,759
ANTIGO UNIFIED	10,051,896	1,236,383	3,184,243
APPLETON AREA	43,809,978	5,388,627	10,640,162
ARCADIA	2,596,687	327,183	867,059
ARGYLE	897,554	109,502	254,190
ARKANSAW	441,864	54,791	204,945
ARROWHEAD UNION HIGH	5,159,578	629,468	1,566,704
ASHLAND	7,104,829	873,894	2,164,891
ASHWAUBENON	10,432,094	1,283,148	3,390,363
ATHENS	1,562,257	192,158	483,053
AUBURNDALE	2,128,860	263,979	737,746
AUGUSTA	2,234,878	274,890	657,357
BALDWIN-WOODVILLE AREA	3,995,831	495,483	1,118,498
BANGOR	1,676,303	207,862	414,572
BARABOO	8,209,853	1,018,022	2,121,717
BARNEVELD	1,011,082	126,385	254,932
BARRON AREA	4,740,365	587,805	1,614,652
BAYFIELD	1,788,969	223,621	507,203
BEAVER DAM UNIFIED	10,206,930	1,255,452	2,741,938
BEECHER DUNBAR PEMBINE	1,309,548	162,384	317,944
BELLEVILLE	2,284,552	276,431	560,817
BELMONT COMMUNITY	1,302,431	158,897	364,116
BELOIT	26,403,401	3,247,618	6,375,190
BELOIT TURNER	3,525,729	430,139	1,083,979
BENTON	1,097,641	133,912	309,072
BERLIN AREA	3,811,405	472,614	1,209,283
BIG FOOT UHS	1,605,573	199,091	559,318
BIRCHWOOD	970,009	121,251	388,219
BLACK HAWK	2,166,077	264,261	455,540
BLACK RIVER FALLS	5,508,979	683,113	1,743,938
BLAIR-TAYLOR	2,253,731	274,955	585,021
BLOOMER	3,744,717	468,090	1,154,666
BLOOMINGTON	901,068	110,831	299,002
BONDUEL	2,106,801	261,243	693,445
BOSCOBEL	2,806,056	345,145	773,850
BOULDER JUNCTION JT #1	795,183	97,012	211,160
BOWLER	1,716,385	209,399	435,014
BOYCEVILLE COMMUNITY	2,859,998	348,920	660,395
BRIGHTON #1	379,486	46,677	80,986

BRILLION PUBLIC	2,306,659	279,106	570,965	FONTANA JT #8 ETAL	941,737	120,542	367,592
BRISTOL, TOWN, #1	1,109,631	140,923	417,486	FORT ATKINSON	8,128,693	999,829	2,500,489
BRODHEAD	3,736,042	463,269	1,088,116	FOX POINT JT # 2 ETAL	3,644,839	448,315	1,178,318
BROWN DEER	7,587,714	940,877	2,532,504	FRANKLIN #5	11,885,339	1,473,782	2,902,927
BRUCE	2,374,481	296,810	834,382	FREDERIC	1,984,157	248,020	717,051
BURLINGTON AREA	9,256,724	1,138,577	3,020,495	FREEDOM AREA	3,586,051	441,084	949,639
BUTTERNUT	910,270	110,143	240,851	GALESVILLE ETAL	4,143,800	513,831	1,380,928
CADOTT COMM	2,959,642	378,834	1,253,220	GENEVA JT #4 ETAL	353,196	43,796	86,030
CAMBRIA-FRIESLAND	1,649,291	201,213	370,106	GENOA CITY JT #2 ETAL	1,028,584	128,573	289,249
CAMBRIDGE	2,919,712	359,125	722,892	GERMANTOWN	11,555,967	1,421,384	3,381,062
CAMERON	2,039,037	252,841	570,132	GIBRALTAR AREA	2,955,718	375,376	855,464
CAMPBELLSPORT	3,540,906	435,531	965,310	GILLETT	2,031,769	256,003	704,159
CASHTON	1,620,059	199,267	480,712	GILMAN	1,765,348	222,434	717,453
CASSVILLE	1,113,036	138,016	344,759	GILMANTON	642,583	79,680	203,211
CEDAR GROVE-BELGIUM	2,170,536	262,635	575,313	GLENDALÉ-RIVER HILLS	5,747,078	706,891	1,612,747
CEDARBURG	9,430,666	1,159,972	2,983,441	GLENWOOD CITY	2,735,097	330,947	650,143
CESA #1, WAUKESHA	1,945,298	239,272	729,710	GLIDDEN	1,060,118	127,214	242,143
CESA #2, JANESVILLE	3,568,136	463,858	1,430,071	GOODMAN-ARMSTRONG	858,161	104,696	227,288
CESA #3, FENNIMORE	1,813,306	224,850	529,248	GRAFTON	8,435,929	1,037,619	2,578,648
CESA #4, LACROSSE	1,302,990	158,965	464,820	GRANTON AREA	1,151,069	140,430	351,203
CESA #5, PORTAGE	3,783,382	465,356	1,000,200	GRANTSBURG	2,572,998	321,625	874,838
CESA #6, OSHKOSH	8,174,639	1,005,481	1,809,881	GREEN BAY AREA	67,803,108	8,407,585	19,811,592
CESA #7, GREEN BAY	2,543,403	307,752	694,983	GREEN LAKE	1,375,835	169,228	456,205
CESA #8, GILLETT	2,227,728	276,238	591,104	GREENDALE	10,542,957	1,307,327	3,986,645
CESA #9, TOMAHAWK	1,636,438	199,645	406,973	GREENFIELD	12,031,983	1,491,966	3,788,490
CESA #10, CHIPPEWA FALLS	3,237,880	398,259	862,634	GREENWOOD	2,031,254	251,875	709,753
CESA #11, CUMBERLAND	2,783,898	342,419	831,748	HAMILTON	10,781,667	1,326,145	3,522,639
CESA #12, ASHLAND	1,718,179	207,900	263,431	HARTFORD JT #1 ETAL	5,598,340	688,596	1,519,429
CHETEK	3,183,526	397,941	1,038,330	HARTFORD UNION HIGH	5,494,469	670,325	1,579,569
CHILTON	3,111,485	382,713	891,174	HARTLAND JT #3 ETAL	4,015,370	481,844	760,668
CHIPPEWA FALLS AREA	13,858,554	1,718,461	3,887,999	HAYWARD COMMUNITY	4,858,956	597,652	1,331,823
CLAYTON	1,064,843	132,040	340,585	HERMAN #22	236,513	29,328	95,554
CLEAR LAKE	2,067,442	256,363	597,237	HIGHLAND	1,013,634	125,691	312,254
CLINTON COMMUNITY	3,768,503	463,526	1,115,996	HILBERT	1,578,190	190,961	371,204
CLINTONVILLE PUBLIC	5,021,679	622,688	1,610,045	HILLSBORO	1,667,666	201,788	475,061
COCHRANE-FOUNTAIN CITY	2,541,165	312,563	743,714	HOLMEN	6,043,819	743,390	1,229,933
COLBY	3,291,301	404,830	982,487	HORICON	3,114,769	386,231	875,812
COLEMAN	2,514,666	311,819	699,336	HORTONVILLE	3,787,649	465,881	989,729
COLFAX	2,216,718	270,440	599,332	HOWARD-SUAMICO	9,347,439	1,159,082	2,515,706
COLUMBUS	3,574,698	443,263	1,163,112	HOWARDS GROVE	3,102,579	381,617	808,462
CORNELL	1,966,107	243,797	615,608	HUDSON	10,067,482	1,228,233	2,261,780
CRANDON	3,166,534	392,650	867,789	HURLEY	2,410,987	301,373	868,289
CRIVITZ	2,823,810	350,152	910,998	HUSTISFORD	1,128,379	138,791	328,714
CUBA CITY	2,498,340	324,784	1,022,317	INDEPENDENCE	1,320,854	159,823	347,541
CUDAHY	11,505,694	1,415,200	3,778,019	IOLA-SCANDINAVIA	1,885,980	237,633	760,519
CUMBERLAND	3,147,715	387,169	969,551	IOWA-GRANT	2,621,390	322,431	734,399
D'C EVEREST AREA	15,590,856	1,902,084	4,462,061	ITHACA	1,242,838	149,141	298,102
DARLINGTON COMM	2,921,116	362,218	869,031	JANESVILLE	34,017,995	4,184,213	11,313,576
DEERFIELD COMM	1,863,338	227,327	527,568	JEFFERSON	6,300,315	768,638	1,862,094
DEFOREST AREA	8,952,988	1,092,265	1,823,492	JOHNSON CREEK	2,045,138	247,462	588,217
DELAVAN-DARIEN	6,686,103	835,763	2,568,383	JUDA	897,862	113,131	252,301
DENMARK	3,883,830	469,943	874,972	KAUKAUNA AREA	10,989,656	1,351,728	2,991,326
DEPERE UNIFIED	5,723,378	703,976	1,891,452	KENOSHA UNIFIED #1	54,478,832	6,700,896	16,978,832
DESOTO AREA	2,199,974	266,197	505,774	KETTLE MORAINÉ	13,332,641	1,639,915	3,307,269
DODGELAND	2,243,250	278,163	782,280	KEWASKUM	5,498,929	676,368	1,679,379
DODGEVILLE	3,881,875	477,471	973,336	KEWAUNEE	3,522,407	433,256	1,234,476
DOVER #1	208,274	25,409	51,079	KICKAPOO AREA	1,807,267	216,872	340,207
DRUMMOND	1,895,172	244,477	891,596	KIEL AREA	4,045,147	509,689	1,558,403
DURAND	1,942,566	231,165	(18,882)	KIMBERLY AREA	5,814,396	726,799	1,905,108
DURAND (MERGED)	2,233,319	272,465	784,164	KOHLER	1,911,641	238,955	665,691
EAST TROY COMMUNITY	4,520,354	560,524	1,341,382	LA CROSSE	30,190,815	3,713,470	7,692,977
EAU CLAIRE AREA	37,243,832	4,580,991	10,148,818	LAC DU FLAMBEAU #1	1,669,442	205,341	322,432
EDGAR	1,619,218	199,164	503,138	LADYSMITH-HAWKINS	4,898,351	607,396	1,316,683
EDGERTON	5,890,402	724,519	1,877,283	LAFARGE	1,170,722	140,487	204,693
ELCHO	1,563,662	193,894	442,316	LAKE COUNTRY	1,024,589	126,024	243,027
ELEVA-STRUM	1,900,555	233,768	614,425	LAKE GENEVA JT #1 ETAL	3,475,893	431,011	994,769
ELK MOUND AREA	2,430,543	296,526	623,313	LAKE GENEVA	3,167,892	392,819	1,167,962
ELKHART LAKE-GLENBEULAH	2,481,055	302,689	662,587	LAKE HOLCOMBE	1,764,504	220,563	636,971
ELKHORN AREA	5,308,186	658,215	1,642,513	LAKE MILLS AREA	4,173,843	513,383	1,234,472
ELLSWORTH COMM	6,142,418	743,233	1,463,269	LAKELAND UNION HIGH	3,241,665	398,725	1,065,349
ELMBROOK	29,926,225	3,680,926	8,632,929	LANCASTER COMM	3,690,259	453,902	996,957
ELMWOOD	1,716,836	207,737	418,152	LAONA	985,575	122,211	349,932
ELROY-KENDALL-WILTON	2,486,463	305,835	851,018	LENA PUBLIC	1,308,931	162,307	395,427
ERIN #2	777,003	95,571	141,169	LINN JT #4 ETAL	332,881	40,944	107,390
EVANSVILLE COMM	4,199,999	520,800	1,339,114	LINN JT #6 ETAL	556,741	71,820	170,144
FALL CREEK	2,830,098	353,762	900,186	LITTLE CHUTE AREA	3,245,503	399,197	923,833
FALL RIVER	1,015,062	125,868	340,871	LODI	3,717,158	460,928	1,267,638
FENNIMORE COMMUNITY	2,403,117	295,583	618,703	LOMIRA	2,168,087	266,675	530,644
FLAMBEAU	2,674,453	334,307	948,468	LOYAL	1,873,130	232,268	591,883
FLORENCE COUNTY	2,800,214	350,027	903,645	LUCK	1,851,888	225,930	480,584
FOND DU LAC	22,485,327	2,765,695	7,033,066	LUXEMBURG-CASCO	3,519,657	432,918	1,117,811

MADISON METRO	106,099,806	13,156,376	29,991,789	PARK FALLS	2,918,695	358,999	968,367
MANAWA	2,636,305	321,629	706,710	PARKVIEW	4,065,230	495,958	1,111,246
MANITOWOC PUBLIC	13,795,750	1,710,673	4,942,925	PECATONICA AREA	1,268,672	156,047	377,728
MAPLE DALE-INDIAN HILL	2,352,416	291,700	751,692	PEPIN AREA	1,344,338	162,665	353,113
MAPLE	4,280,575	526,511	1,519,429	PESHIGO	3,211,996	404,712	1,034,404
MARATHON CITY	1,828,412	223,066	482,864	PEWAUKEE	5,552,312	699,591	1,321,606
MARINETTE	8,417,688	1,035,376	2,700,319	PHELPS	737,741	90,742	188,837
MARION	1,814,954	223,239	659,121	PHILLIPS	3,729,651	455,017	1,048,397
MARKESAN	3,311,332	410,605	998,182	PITTSVILLE	2,433,966	299,378	660,294
MARSHALL JT #2 ETAL	2,702,986	329,764	712,096	PLATTEVILLE	6,342,795	780,164	1,912,526
MARSHFIELD UNIFIED	13,020,772	1,601,555	3,324,281	PLUM CITY	1,088,073	133,833	307,220
MAUSTON	4,493,875	557,241	1,199,126	PLYMOUTH JOINT	6,974,815	857,902	1,860,358
MAYVILLE	3,556,493	441,005	1,096,748	PORT EDWARDS	1,652,826	203,298	660,690
MCFARLAND	5,995,345	731,432	1,266,454	PORT WASH.-SAUKVILLE	10,730,808	1,319,889	2,804,805
MEDFORD AREA PUBLIC	5,976,645	735,127	1,677,979	PORTAGE COMMUNITY	6,862,091	844,037	1,970,356
MELLEN	1,378,033	170,876	363,662	POTOSI	1,294,850	159,267	500,343
MELROSE-MINDORO	2,190,617	262,874	467,846	POYNETTE	3,422,024	420,909	926,762
MENASHA JOINT	10,952,050	1,347,102	3,126,865	PRAIRIE DU CHIEN AREA	3,152,787	387,793	916,971
MENOMINEE INDIAN	5,458,906	665,986	1,040,786	PRAIRIE FARM PUBLIC	1,353,107	166,432	358,275
MENOMONEE FALLS	14,721,772	1,840,222	5,332,088	PRENTICE	1,540,897	189,530	463,194
MENOMONIE AREA	10,235,306	1,258,943	2,552,957	PRESCOTT	3,411,230	405,936	641,081
MEQUON-THIENSVILLE	13,404,526	1,648,757	3,731,747	PRINCETON	994,960	122,380	287,299
MERCER	764,144	93,226	202,780	PULASKI COMMUNITY	8,361,310	1,020,080	2,260,135
MERRILL AREA COMMON	10,399,784	1,279,173	3,187,457	RACINE UNIFIED	84,109,854	10,345,512	25,710,176
MERTON JT #7 ETAL	663,927	82,327	193,541	RANDALL JT #1 ETAL	1,495,890	185,490	394,205
MERTON JT #9 ETAL	1,335,620	165,617	284,399	RANDOLPH	1,645,864	200,795	409,049
MIDDLETON-CROSS PLNS	14,557,189	1,775,977	3,608,156	RANDOM LAKE	3,476,950	427,665	942,505
MILTON	6,650,933	818,065	1,789,870	RAYMOND JT #1 ETAL	260,398	32,029	69,959
MILWAUKEE				RAYMOND #14	708,388	87,840	241,502
TEACHERS RETIREM SYS	281,538,562	36,600,013	133,990,931	REEDSBURG	6,638,056	823,119	1,944,384
MINERAL POINT UNIF	2,415,710	297,132	574,494	REEDSVILLE	1,783,529	217,591	534,990
MINOCQUA JT #1 ETAL	1,553,663	191,101	445,588	RHINELANDER	10,530,831	1,295,292	3,186,349
MISHICOT	2,355,763	289,759	885,279	RIB LAKE	1,509,342	185,649	438,923
MONDOVI	3,176,013	387,474	757,410	RICE LAKE AREA	8,175,326	1,005,565	2,237,144
MONONA GROVE	7,477,539	927,215	2,532,275	RICHFIELD JSD #1	1,332,987	162,624	373,378
MONROE	6,689,798	822,845	2,077,368	RICHFIELD JT #11 ETAL	531,713	64,869	126,356
MONTELLO	1,854,583	228,114	520,552	RICHLAND	5,864,288	721,307	1,601,073
MONTICELLO	1,457,159	176,316	358,559	RICHMOND	702,637	87,127	247,416
MOSINEE	6,379,851	791,101	1,671,571	RIO COMMUNITY	1,572,427	191,836	436,763
MOUNT HOREB AREA	4,560,844	560,984	1,434,202	RIPON	5,288,037	655,717	1,665,658
MUKWONAGO	15,386,244	1,877,122	4,014,517	RIVER FALLS	9,029,567	1,101,607	2,073,935
MUSKEGO-NORWAY	12,713,488	1,576,473	4,121,704	RIVER VALLEY	4,013,557	493,668	1,178,726
NECEDAH AREA	1,760,207	212,985	436,343	RIVERDALE	2,528,820	311,045	780,664
NEENAH JOINT	20,015,494	2,461,906	6,399,569	ROSENDALE-BRANDON	3,521,463	440,183	1,026,558
NEILLSVILLE	3,918,355	481,958	1,085,684	ROSHOLT	1,889,346	228,611	397,258
NEKOOSA	4,236,484	521,088	1,371,750	RUBICON JT #6 ETAL	281,828	34,665	127,199
NEOSHO JT #3 ETAL	690,582	84,942	186,225	SALEM JT #2 ETAL	2,183,900	268,620	566,496
NEW AUBURN	1,102,142	137,768	345,557	SALEM #7	474,586	56,476	100,074
NEW BERLIN	19,694,217	2,422,389	6,825,078	SAUK PRAIRIE	7,545,683	928,119	2,046,346
NEW GLARUS	1,959,466	248,852	556,685	SENECA	1,237,450	152,206	338,761
NEW HOLSTEIN	4,185,885	523,236	1,561,249	SEVASTOPOL	2,493,096	304,158	657,876
NEW LISBON	2,163,288	270,411	710,585	SEYMOUR COMMUNITY	6,841,327	834,642	1,984,371
NEW LONDON	7,406,205	910,963	2,128,214	SHARON JT # 11 ETAL	847,161	104,201	232,431
NEW RICHMOND	7,079,849	863,742	1,605,697	SHAWANO-GRESHAM	6,058,960	745,252	2,045,552
NIAGARA	2,161,926	268,079	703,246	SHEBOYGAN AREA	33,502,159	4,120,766	10,480,773
NICOLET HIGH	6,215,092	770,671	2,395,429	SHEBOYGAN FALLS	6,537,874	804,158	1,264,715
NORRIS	383,872	47,984	119,799	SHELL LAKE	1,968,733	246,092	657,268
NORTH CRAWFORD	1,839,998	231,840	719,314	SHIOCTON	1,971,093	242,444	622,221
NORTH FOND DU LAC	2,816,908	349,297	862,139	SHOREWOOD	8,579,667	1,063,879	2,692,875
NORTHERN OZAUKEE	3,101,865	384,631	954,479	SHULLSBURG	1,346,329	165,598	374,444
NORTHLAND PINES	4,513,293	568,675	1,486,777	SILVER LAKE JT #1 ETAL	1,013,852	125,718	273,369
NORTHWOOD	1,640,496	206,703	582,381	SIREN	1,674,077	205,912	521,517
NORWALK-ONTARIO	1,545,652	188,570	473,446	SLINGER	6,081,052	747,969	1,644,648
NORWAY JT #7 ETAL	313,417	38,550	80,111	SOLON SPRINGS	1,349,903	164,688	318,006
OAK CREEK-FRANKLIN JT	12,647,124	1,555,596	3,992,116	SOMERSET	2,580,598	312,252	550,460
OAKFIELD	1,788,076	223,509	729,217	SOUTH MILWAUKEE	11,628,808	1,430,343	3,992,007
OCONOMOWOC AREA	12,338,537	1,517,640	4,113,669	SOUTH SHORE	1,094,839	133,570	315,887
OCONTO FALLS PUBLIC	5,398,833	664,056	1,470,929	SOUTHERN DOOR COUNTY	4,716,909	575,463	1,274,376
OCONTO UNIFIED	3,413,625	419,876	1,007,014	SOUTHWESTERN WIS. COM.	2,084,364	256,377	677,896
OMRO	3,634,919	447,095	1,092,116	SPARTA AREA	7,494,231	921,790	2,026,916
ONALASKA	7,570,128	923,556	1,795,587	SPENCER	2,206,713	273,632	733,807
ONDOSAGON	0	0	(478)	SPOONER	4,821,904	597,916	1,514,444
OOSTBURG	2,534,895	314,327	776,687	SPRING VALLEY	2,317,173	278,061	581,908
OREGON	7,698,822	946,955	1,979,269	ST CROIX CENTRAL	2,906,727	342,994	581,808
OSCEOLA	3,913,809	485,312	1,135,224	ST CROIX FALLS	3,708,551	456,152	944,171
OSHKOSH AREA	29,551,901	3,664,436	9,464,073	ST FRANCIS #6	4,509,180	559,138	1,418,408
OSSEO-FAIRCHILD	3,079,144	378,735	982,607	STANLEY-BOYD AREA	3,442,377	423,412	1,008,312
OWEN-WITHEE	2,074,195	265,497	962,561	STEVENS POINT AREA	26,952,225	3,315,124	6,771,222
PALMYRA-EAGLE AREA	4,163,392	512,097	1,182,145	STOCKBRIDGE	823,977	98,877	187,381
PARDEEVILLE AREA	2,343,568	285,915	648,590	STONE BANK	929,459	116,182	227,059
PARIS JT #1 ETAL	450,873	55,908	165,068	STOUGHTON AREA	10,273,048	1,263,585	2,907,257

STRATFORD	1,913,552	235,367	552,301
STURGEON BAY	4,930,113	606,404	1,373,615
SUN PRAIRIE JT #2 ETAL	15,126,226	1,860,526	4,519,429
SUPERIOR	18,700,442	2,300,154	6,216,454
SURING PUBLIC	1,822,172	225,949	600,989
SWALLOW	792,650	99,081	193,372
THORP	2,116,501	260,330	640,312
THREE LAKES	2,403,837	298,076	669,477
TIGERTON	1,261,673	155,186	369,887
TOMAH AREA	8,626,330	1,061,039	2,315,849
TOMAHAWK	3,998,622	491,831	1,159,139
TOMORROW RIVER	2,147,189	264,104	511,216
TRI-COUNTY AREA-PLNFD	2,493,288	299,195	502,857
TURTLE LAKE	1,755,687	217,705	601,073
TWIN LAKES #4	1,034,437	127,236	222,783
TWO RIVERS PUBLIC	6,296,926	780,819	2,237,845
UNION GROVE JT #1 ETAL	1,429,723	175,856	414,706
UNION GROVE UNION HIGH	1,667,982	205,162	587,070
UNITY	3,851,048	477,530	1,143,646
VALDERS	3,013,030	361,564	763,529
VERONA AREA	9,023,881	1,109,937	1,470,121
VIROQUA AREA	4,417,648	547,788	1,423,004
WABENO AREA	1,780,554	219,008	534,805
WALWORTH JT # 1 ETAL	760,514	94,304	284,572
WASHBURN	2,233,402	274,708	701,189
WASHINGTON	411,070	49,740	94,437
WASHINGTON-CALDWELL	356,352	43,831	102,228
WATERFORD UNION HIGH	2,166,875	268,693	717,120
WATERFORD VIL JT #1	1,989,032	244,651	503,418
WATERLOO	2,606,961	315,442	624,680
WATERTOWN UNIFIED	12,294,278	1,512,196	3,422,079
WAUKESHA	45,511,777	5,597,949	11,513,116
WAUNAKEE COMMUNITY	6,613,631	806,863	1,744,159
WAUPACA	5,775,068	710,333	1,318,310
WAUPUN	7,301,962	898,141	2,103,785
WAUSAU	30,732,429	3,780,089	8,100,658
WAUSAUKEE	2,522,407	307,734	704,179
WAUTOMA AREA	4,001,458	488,178	1,086,947
WAUWATOSA	26,344,510	3,266,719	9,025,502
WAUZKA JT ETAL	1,322,967	158,756	261,290
WEBSTER	2,290,898	286,362	761,513
WEST ALLIS-WEST MILW	35,709,012	4,427,917	12,011,023
WEST BEND JT #1	21,805,290	2,682,051	6,696,852
WEST DEPERE	5,096,803	626,907	1,743,672
WEST GRANT	1,119,097	137,649	302,437
WEST SALEM	3,287,833	404,403	906,826
WESTBY AREA	3,915,939	481,660	1,158,145
WESTFIELD	3,242,226	398,794	716,260
WESTON	1,322,035	158,644	258,707
WESTOSHA CENTRAL HIGH	2,471,347	303,976	746,618
WEYAUWEGA-FREMONT	2,671,513	328,596	713,362
WEYERHAEUSER AREA	881,607	105,793	178,549
WHEATLAND JT #1 ETAL	1,417,749	177,219	364,311
WHITE LAKE	973,227	122,627	385,851
WHITEFISH BAY	10,254,106	1,271,509	3,383,299
WHITEHALL	2,610,461	318,476	740,951
WHITWATER UNIFIED	5,937,081	736,198	1,944,557
WHITNALL	8,684,204	1,076,841	2,394,177
WILD ROSE	1,979,204	241,463	542,264
WILLIAMS BAY	1,561,406	193,614	463,491
WILMOT GRADE	357,328	43,237	90,514
WILMOT UNION HIGH	2,348,009	288,805	632,805
WINNECONNE COMM	4,122,587	515,323	1,357,044
WINTER	1,489,515	183,210	454,531
WISCONSIN DELLS	4,809,855	591,612	1,214,215
WISCONSIN HEIGHTS	3,430,563	415,098	880,336
WISCONSIN RAPIDS	19,251,403	2,367,923	5,646,018
WITTENBERG-BIRNAMWOOD	4,297,071	532,837	1,335,140
WONEWOC/UNION CENTER	1,212,387	155,186	485,594
WOODRUFF JT #1 ETAL	1,561,274	193,598	363,954
WRIGHTSTOWN COMMUNITY	1,799,368	221,322	489,329
YORKVILLE JT #2 ETAL	890,426	111,303	318,792
School District Totals	\$ 2,710,232,552	335,897,859	842,149,812

## VTAE Districts (16 Employers)

Name	Covered Payroll	Required Contrib.	Unfunded Liability
BLACKHAWK	7,175,276	875,384	1,945,661
CHIPPEWA VALLEY	14,338,507	1,749,298	4,222,148
FOX VALLEY	20,239,845	2,469,261	5,037,667
GATEWAY	18,309,451	2,233,753	4,648,952
LAKESHORE	9,330,177	1,138,282	2,645,886
MADISON AREA #4	30,174,396	3,681,276	7,884,919
MID-STATE	7,660,283	934,555	2,138,826
MILWAUKEE AREA	62,518,370	7,627,241	16,553,552
MORAIN PARK	12,738,303	1,541,335	3,261,980
NICOLET	5,198,256	634,187	1,465,681
NORTH CENTRAL	11,663,433	1,422,939	3,817,901
NORTHEAST WISC	17,357,864	2,117,659	4,418,511
SOUTHWEST WISC	5,766,790	703,548	1,812,045
WAUKESHA CO AREA	19,020,623	2,301,495	5,156,000
WESTERN WISC	14,193,867	1,731,652	3,996,810
WIS. INDIANHEAD	11,687,634	1,425,891	3,195,933
VTAE District Totals	\$ 267,373,075	32,587,756	72,202,473

## Miscellaneous (118 Employers)

Name	Covered Payroll	Required Contrib.	Unfunded Liability
ALGOMA CITY HOUSING AUTH	\$ 24,590	2,705	0
ALLENTON SANITARY DIST	76,397	8,404	0
ALTOONA CITY HOUSING AUTH	24,944	3,243	8,435
ANTIGO CITY HOUSING AUTH	161,399	19,045	18,058
APPLETON CITY HOUSING AUTH	147,799	16,701	(1,006)
ASHLAND CITY HOUSING AUTH	122,801	14,491	21,463
ASHLAND COUNTY HOUSING AUTH	87,877	13,006	95,013
BAY AREA RURAL TRANSIT COMM	62,404	6,864	0
BAY-LAKE REGIONAL PLAN COMM	240,437	28,612	67,457
BAYFIELD COUNTY HOUSING AUTH	57,767	7,048	5,021
BIG CEDAR LAKE SANITARY DIST	27,746	3,440	10,633
BROCKWAY SANITARY DISTRICT #1	21,740	2,391	0
BROOKFIELD, TOWN SAN DIST #4	81,426	9,690	3,306
BURLINGTON CITY HOUSING AUTH	35,304	4,342	9,404
CADDY VISTA SANITARY DISTRICT	21,165	2,900	12,116
CITY-COUNTY DATA CTR, WAUSAU	677,847	79,986	72,523
CLINTONVILLE CITY HOUS AUTH	37,012	4,367	8,249
COLBY/ABBOTSFORD JT POLICE COM	144,366	24,772	0
CONSOL KOSHKONONG SANITARY DIS	80,875	8,896	(89)
DANE CO REGIONAL PLAN COMM	655,589	77,360	159,258
DANE COUNTY HOUSING AUTHORITY	516,888	63,060	137,430
DELAFIELD-HARTL WATER POL CNTL	201,713	24,407	60,516
DELAVAN LAKE SANITARY DISTRICT	167,049	18,877	13,251
DODGE COUNTY HOUSING AUTHORITY	43,955	5,363	7,983
DRUMMOND SAN DIST #1	19,980	2,198	0
EAGLE RIVER JT LIBRARY SV ETAL	42,280	4,651	0
EAST CENTRAL WIS REG PLAN COMM	492,421	58,106	95,043
EASTERN SHORES LIB SYS	155,212	17,073	0
EAU CLAIRE CITY HOUSING AUTH	153,337	16,867	0
EAUCLAIRE CITY-CO HEALTH DPT	1,311,534	156,073	275,225
EDGERTON CITY HOUSING AUTH	42,574	4,683	0
FITCH-RONA EMS DISTRICT	66,317	7,295	0
FOND DU LAC CITY HOUSING AUTH	267,732	31,860	53,230
FONTANA/WALWORTH WTR POL CN CM	124,516	13,697	0
GRAND CHUTE SANITARY DIST #1	99,687	12,483	18,831
GRAND CHUTE SANITARY DIST #2	85,990	10,747	21,635
GREEN BAY METRO SEWERAGE DIST 4	1,815,538	497,6031	002,049
HALLIE SANITARY DIST #1	7,747	852	0
HEART OF THE VALLEY MET SEW DS	439,740	52,329	111,904
HUDSON CITY HOUSING AUTHORITY	32,849	3,613	0
HUM SRV CTR ONEIDA VILAS FOREST	723,436	85,365	124,786
INDIANHEAD FED LIBRARY SYSTEM	279,161	33,220	51,521
INTER-COMMUNITY INCINERATR DIS	0	0	26,624
JEFFERSON CITY HOUSING AUTH	47,309	5,582	9,975
KAUKAUNA CITY HOUSING AUTH	86,336	10,274	7,127
KENOSHA CITY-CO JT SERV BOARD	1,592,444	187,908	374,427
LA CROSSE CITY HOUSING AUTH	519,774	61,333	100,407
LAKE AREA COMMUNICATION SYSTEM	129,699	14,267	0
LAKE MILLS CITY HOUSING AUTH	36,416	4,042	738
LAKELAND SANITARY DISTRICT #1	137,339	16,343	35,486
LEAGUE OF WISC MUNICIPALITIES	325,793	41,702	149,577
LINCOLN COUNTY HOUSING AUTH	48,984	5,780	10,544

MADISON METRO SEWERAGE DIST	3,041,488	343,688	238,301
MANITOWOC CITY HOUSING AUTH	49,767	5,873	11,278
MARINETTE CITY HOUSING AUTH	91,680	11,368	36,725
MENASHA SAN DIST #4(WINNEBAGO)	335,418	40,250	94,434
MENOMONIE CITY HOUSING AUTH	83,901	10,739	27,842
MEQUON - THIENSVILLE LIBRARY	261,915	31,954	46,713
MERRILL CITY HOUSING AUTHORITY	95,275	11,242	20,222
MISSISSIPPI RIVER REG PLAN COM	130,471	15,396	25,776
MYRTLE WERTH MEDICAL CENTER	0	0	202,324
NEENAH - MENASHA SEWERAGE	152,488	18,603	86,849
NEW LONDON CITY HOUSING AUTH	54,780	6,519	9,541
NICOLET FEDERATED LIBRARY SYS	296,299	35,260	55,605
NORTH CENTRAL HEALTH CARE	16,230,337	1,915,180	2,884,728
NORTH CENTRAL WI REG PLAN COM	158,613	18,875	54,355
NORTH PARK SANITARY DISTRICT	126,477	15,683	49,455
NORTH SHORE WATER COMMISSION	262,421	30,966	59,377
NORTHERN MORAIN UTILITY COMM	53,639	6,329	12,130
NORTHERN PINES UNIF SERV CNTR	1,651,524	196,531	285,850
NORTHERN WATERS LIBRARY SERV	250,304	31,538	106,204
NORTHWEST REGIONAL PLAN COMM	546,898	64,534	90,841
NORWAY SANITARY DISTRICT #1	74,132	8,154	0
OCONGO CITY HOUSING AUTHORITY	34,605	3,807	0
OREGON EMS	26,049	5,496	17,831
OSHKOSH CITY HOUSING AUTHORITY	148,856	17,416	16,429
OUTAGAMIE COUNTY HOUSING AUTH	135,735	16,017	24,247
OUTAGAMIE WAUPC CO FED LIBR SY	239,116	28,455	43,913
PLYMOUTH CITY HOUSING AUTH	44,905	4,985	902
PRAIRIE DU SAC JT SEWER COMM	24,067	2,888	4,843
RHINELANDER CITY HOUSING AUTH	57,483	6,783	13,405
RIB MOUNTAIN METRO SEW DIST	183,320	20,165	0
RICE LAKE CITY HOUSING AUTH	95,929	13,622	82,655
SAUK COUNTY HOUSING AUTHORITY	85,535	9,409	0
SE WIS REG PLANNING COMM	2,393,738	282,461	587,039
SHAWANO CITY HOUSING AUTHORITY	111,672	13,177	24,877
SHAWANO COUNTY HOUSING AUTH	62,441	7,368	15,489
SHAWANO LAKE SANITARY DIST #1	326,441	38,846	71,790
SHEBOYGAN CITY HOUSING AUTH	102,549	12,101	23,431
SILVER LAKE SANITARY DIST.	118,413	13,025	0
SLINGER VILLAGE HOUSING AUTH	29,520	3,601	1,197
SOUTH CENTRAL LIBRARY SYSTEM	465,323	54,908	77,162
SOUTH MILWAUKEE CITY HOUS AUTH	60,158	7,099	8,232
SOUTHWEST WIS LIBRARY SYSTEM	250,145	30,268	62,899
SOUTHWESTERN WIS REG PLAN COMM	167,691	19,788	34,603
STEVENS POINT CITY HOUS AUTH	244,022	29,039	26,161
THREE LAKES SANITARY DIST #1	27,331	3,006	(234)
TREMPEALEAU COUNTY HOUS AUTH	110,343	13,020	26,082
UNIF BOARD OF GRANT & IOWA CO	997,672	118,723	299,305
UNIF SERV BD ASHL IRON PRIC CO	0	0	44,651
VIROQUA CITY HOUSING AUTHORITY	93,222	10,534	7,488
WALWORTH CNTY METRO SEWER D.	412,197	48,639	83,097
WASHBURN CITY HOUSING AUTH	54,965	6,486	9,390
WATERTOWN CITY HOUSING AUTH	38,757	4,573	8,529
WAUKESHA CITY HOUSING AUTH	374,862	44,234	34,358
WAUSAUKEE VILLAGE HOUS AUTH	75,213	12,109	44,293
WAVERLY SANITARY DISTRICT	62,852	6,914	0
WEST BEND CITY HOUSING AUTH	84,426	9,540	7,320
WEST CENTRAL WIS REG PLAN COMM	244,335	28,832	67,634
WINDSOR SANITARY DISTRICT #1	33,787	5,507	38,817
WINNEFOX LIBRARY SYSTEM	273,256	31,971	46,136
WIS ALLIANCE OF CITIES	60,783	6,686	0
WIS DELLS-LAKE DELTON SEW COMM	82,901	9,119	0
WISCONSIN COUNTIES ASSOCIATION	483,885	60,002	131,443
WISCONSIN MUNIC MUTAL INS CO	121,300	13,464	479
WISCONSIN RAPIDS CITY HS AUTH	174,210	20,557	28,760
WISCONSIN TOWNS ASSOCIATION	144,301	17,028	16,803
WISCONSIN VALLEY LIBRARY SRV	363,514	43,622	83,233

Total Miscellaneous \$ 48,838,884 5,779,890 9,691,389