

### Fiscal Estimate - 2003 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>03-3677/1</b>	<b>Introduction Number</b> <b>SB-386</b>
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**Subject**  
 Retirement benefits provided to educational support personnel under the Wisconsin Retirement System

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Create New Appropriations	
<input type="checkbox"/> Decrease Existing Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs	3. <input type="checkbox"/> Increase Revenue	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Indeterminate	4. <input type="checkbox"/> Decrease Revenue	
1. <input checked="" type="checkbox"/> Increase Costs	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> ETF/ Vicki Poole (608) 261-7940	<b>Authorized Signature</b> Pam Henning (608) 267-2929	<b>Date</b> 1/28/2004
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## Fiscal Estimate Narratives

ETF 1/28/2004

LRB Number 03-3677/1	Introduction Number SB-386	Estimate Type Original
<b>Subject</b> Retirement benefits provided to educational support personnel under the Wisconsin Retirement System		

### Assumptions Used in Arriving at Fiscal Estimate

SB 386 increases WRS benefits provided to educational support personnel employees who are defined under current law as a school district employee other than a teacher, librarian or administrator. The proposed bill makes three changes under the WRS:

1. Changes the full-time equivalent of one year of creditable service for an educational support personnel employee to 1,320 hours (from 1,904 hours);
2. Increases the final average earnings by 25% for purposes of determining the initial amount of a WRS retirement annuity; and
3. Reduces the amount required for purposes of calculating a year of creditable service from 0.75 to 0.65.

The Department estimates that 40,966 individuals under the WRS have educational support personnel employment status affecting provisions of #1 and #2 above. The proposed bill as drafted affects 78,059 individuals regarding #3 above. Based upon these numbers, the bill will require the Department to make the following changes:

- \* Modify, test and implement computer programming changes to 25 applications - \$54,400 one-time
- \* Revise forms, brochures and procedures - \$2,800 one-time
- \* Increased workload for written inquiries, benefit estimates, appointments, and walk-ins by 5% - \$50,300 one-time
- \* Increased workload associated with answering telephone inquiries and e-mails - \$12,300 one-time; \$3,000 on-going
- \* Revise annuity calculation worksheets and procedures; modify and test retirement annuity calculator - \$12,000 one-time
- \* Calculate and correct annuity benefits - \$7,500 on-going

Total one-time costs: \$131,800

Total on-going costs: \$10,500

This fiscal estimate addresses only the administrative costs of the bill. The Joint Survey Committee on Retirement Systems will estimate the fiscal effect of the bill on the trust fund.

### Long-Range Fiscal Implications

On-going

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Subject</b>			
Retirement benefits provided to educational support personnel under the Wisconsin Retirement System			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$131,800 one-time for computer programming, increased workload and revision to communications and procedures.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs		10,500	
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$10,500</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (10,500)		10,500	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$10,500	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
ETF/ Vicki Poole (608) 261-7940		Pam Henning (608) 267-2929	1/28/2004