

CR 83-205

CERTIFICATE

STATE OF WISCONSIN)
) SS
DEPARTMENT OF EMPLOYE TRUST FUNDS)

RECEIVED
MAR 16 1984
10:45 am
Revisor of Statutes
Bureau

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Gary I. Gates, Secretary of the Department of Employee Trust Funds, and custodian of the official records due hereby certify that the annexed repeal and recreation of a rule relating to Wisconsin Retirement System fixed and variable annuity changes was duly approved by the Employee Trust Funds, Teachers Retirement and Wisconsin Retirement Boards and adopted by this department on March 14, 1984.

I further certify that this copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 201 East Washington Avenue, in the City of Madison, this 16 day of March, 19 84.

Gary I. Gates
Gary I. Gates, Secretary
Department of Employee Trust Funds

ORDER OF THE DEPARTMENT OF
EMPLOYEE TRUST FUNDS
REPEALING AND RECREATING A RULE

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To repeal and recreate ETF 20.25 relating to Wisconsin Retirement System
fixed and variable annuity changes.

Analysis Prepared by the Department of Employee Trust Funds

Historically, Wisconsin Retirement System dividends and variable annuity adjustments have been effective on different dates. This rule makes both changes effective April 1, payable on the May 1 annuity check. This rule also establishes the procedure for determining the percentage of the dividend each annuitant is eligible to receive based on that annuitant's retirement date when the annuity has been in effect less than one year before the valuation date for adjustments.

This rule interprets ss. 40.27 and 40.28 (2), Stats.

Pursuant to the authority vested in the secretary of the department of employee trust funds by s. 40.03 (2) (1), Stats., the secretary of the department of employee trust funds hereby repeals and recreates a rule interpreting ss. 40.27 and 40.28 (2), Stats., as follows:

SECTION 1. ETF 20.25 is repealed and recreated to read:

20.25 FIXED AND VARIABLE ANNUITY CHANGES. Annuity changes shall be made
as follows:

(1) A fixed annuity dividend, as recommended by the actuary and approved by the chair of the employee trust funds board and the department's secretary, shall be distributed based on each December 31 valuation as specified in s. 40.27 (2), Stats. The dividend shall be effective on the April 1 following the valuation date and shall apply to fixed annuities effective on or prior to the date of the

valuation. As authorized under s. 40.27 (2) (b), Stats., different percentages shall be determined for annuities effective for less than a full year on the valuation date. The percentages shall be determined by multiplying the number of full months the annuity was in force times the percentage change applicable to annuities effective for the full year, dividing the result by 12 and rounding the answer to the nearest tenth of a percent. No increase shall be applied to any annuity for which the resulting increase would be less than one percent.

(2) Variable annuity changes, as recommended by the actuary and approved by the secretary, shall be made based on each December 31 valuation as specified in s. 40.28 (2), Stats. The changes shall be effective on the April 1 following the valuation and shall apply to variable annuities effective on or prior to the date of the valuation, regardless of whether the annuity becomes a fixed annuity in the following year.

The rules contained in this order shall take effect as provided in s. 227.026 (1) (intro.), Stats.

March 16, 1984
Date

Gary I. Gates
Gary I. Gates, Secretary
Department of Employee Trust Funds

FISCAL ESTIMATE

AD-MBA-23 (Rev. 11/82)

~~LRB-82-IB-3~~ Adm. Rule No.

ETF 20.25

Amendment No. if Applicable

- ORIGINAL
- UPDATED
- CORRECTED
- SUPPLEMENTAL

Subject

Wis. Retirement System fixed and variable annuity changes.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation
- Increase Existing Revenues
- Decrease Existing Appropriation
- Decrease Existing Revenues
- Create New Appropriation

- Increase Costs - May Be Possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This proposed rule determines when fixed and variable annuity adjustments will be made and how fixed dividends will be distributed among annuitants. It does not affect the total amount available for disbursement as this is a product of the investment earnings. We therefore expect there will be no fiscal effect.

Long-Range Fiscal Implications

None.

Agency/Prepared by: (Name & Phone No.)

Diane M. Bass 266-5804
 Dept. of Employe Trust Funds

Authorized Signature/Telephone No.

Diane M. Bass 266-5804

Date

10-25-83

FISCAL ESTIMATE WORKSHEET

1983 Session

Detailed Estimate of Annual Fiscal Effect

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

~~XXXXXX~~ Adm. Rule No.
 ETF 20.25

Amendment No.

Subject

Wis. Retirement System fixed and variable annuity changes.

I. One-time Costs or Revenue Fluctuations for State and/or Local Government (do not include in annualized fiscal effect):

None

II. Annualized Costs: Note: Treat fiscal costs like a "checkbook": increased costs reduce available funds (-); decreased costs increase available funds (+).

A. State Costs by Category	Annualized fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
Salaries and Fringes	\$ -	\$ +
Staff Support Costs	-	+
Other State Costs	-	+
Local Assistance	-	+
Aids to Individuals or Organizations	-	+
TOTAL State Costs by Category	\$ - 0	\$ + 0
B. State Costs by Source of Funds	Annualized fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
GPR	\$ -	\$ +
FED	-	+
PRO/PRS	-	+
SEG/SEG-S	-	+
C. FTE Position Changes	Increased Pos.	Decreased Pos.
	+ (0)	- (0)
III. State Revenues-Complete this only when proposal will increase or decrease state revenues, such as taxes, license fees, etc.	Annualized fiscal impact on State funds from:	
	Decreased Rev.	Increased Rev.
GPR Taxes	\$ -	\$ +
GPR Earned	-	+
FED	-	+
PRO/PRS	-	+
SEG/SEG-S	-	+
TOTAL State Revenues	\$ - 0	\$ + 0

Net Annualized Fiscal Impact on State & Local Funds

State	Annual Increases	Annual Decreases	Local	Annual Increases	Annual Decreases
Total Costs	\$ -	\$ +	Total Costs	\$ -	\$ +
Total Revenues	+	- None	Total Revenues	+	- None
NET Impact on State Funds	\$ (+) or (-) None		NET Impact on Local Funds	\$ (+) or (-) None	

Agency/Prepared by: (Name & Phone No.)

Authorized Signature/Telephone No.

Date

Diane M. Bass
 Dept. of Employee Trust Funds

266-5804

Diane M. Bass

266-5804

10-25-83



State of Wisconsin \ DEPARTMENT OF EMPLOYEE TRUST FUNDS

Gary I. Gates
Secretary

201 EAST WASHINGTON AVENUE
P.O. BOX 7931
MADISON, WISCONSIN 53707

March 14, 1984

IN REPLY REFER TO:

Gary Poulson
Assistant Revisor of Statutes
411 West, State Capitol
Madison, WI 53702

RECEIVED

MAR 16 1984

Revisor of Statutes
Bureau

Dear Gary

Re Clearinghouse Rule No. 83-205

Enclosed is a Certificate and two copies of an Order Repealing and Recreating a Rule. A certified copy of this order has also been forwarded to the Secretary of State.

Sincerely

Diane M. Bass
Board Coordinator
(608) 266-5804

DMB/sb 3/D13