

CR 90-18

CERTIFICATE

**RECEIVED**

State of Wisconsin )  
 )  
Department of Employe Trust Funds )

OCT 15 1990  
*9:50 am*  
Revisor of Statutes  
Bureau

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Gary I. Gates, Secretary of the Department of Employe Trust Funds, and custodian of the official records do hereby certify that the annexed creation of a rule relating to accounting for investment income in the common stock fund, removing obsolete language and amending a notice requirement, were duly approved by the Employe Trust Funds, Teachers Retirement and Wisconsin Retirement Boards and adopted by this department on October 10, 1990.

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

IN TESTIMONY WHEREOF, I have here unto set my hand at 201 E. Washington Ave., the City of Madison, this 12<sup>th</sup> day of October, 1990.

*Gary I. Gates*  
Gary I. Gates, Secretary  
Department of Employe Trust Funds

1-1-91

ORDER OF THE DEPARTMENT OF EMPLOYE TRUST FUNDS  
ADOPTING A RULE

OCT 15 1990

Revisor of Statutes  
Bureau

The Wisconsin Department of Employee Trust Funds adopts a rule to amend ETF 10.12 and 10.25, relating to accounting for investment income in the common stock fund, removing obsolete language and amending a notice requirement.

Analysis Prepared by the Department of Employee Trust Funds  
Statutory authority: s.25.17 (4) (g), Stats.

Section 25.17 (4) (g), as amended by 1989 Wisconsin Act 13, provides that investment income shall be credited to the fixed investment trust fund at the time it is accrued. This rule change removes language saying that investment income is to be credited to the fixed investment trust fund at the time it is received.

This rule change also removes obsolete language needed when the common stock fund was created but no longer needed and, further, amends the special notice requirements for participating separate retirement systems.

Small businesses are not affected by these rules.  
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SECTION 1. ETF 10.12 (2) (e) and (f) are amended to read as follows:

ETF 10.12 (2) (e) Each participating separate retirement system shall be given ~~one-year~~ six months advance notice of any changes in the method of valuing investments or calculating proportionate ownership shares, unless an earlier effective date for the changes is mandated by statute. A participating separate retirement system may waive this notice requirement.

(f) ~~Interest, dividends and other investment earnings shall be recognized as income in the month received.~~ The costs of administering and investing the assets shall be charged directly against the investment earnings monthly.

SECTION 2. ETF 10.25 (1) is repealed and recreated to read as follows:

ETF 10.25 (1) COMBINED STOCK FUND. A combined stock fund shall be established and shall operate as a separate account within the variable retirement investment trust as follows:

(a) All investments in common and preferred stock by the fixed retirement investment trust and the variable retirement investment trust shall be made through the combined stock fund account.

(b) The trusts shall transfer funds to be invested in common and preferred stocks to the combined stock fund account. In exchange, the fixed retirement investment trust and the variable retirement investment trust shall receive shares in the combined stock fund.

(c) Shares in the combined stock fund may be purchased only as of the

first day of each month.

(d) All shares purchased in the combined stock fund shall, at the time of purchase, have a book value of one dollar per share.

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SECTION 3. ETF 10.25 (2) and (4) (a) are repealed.

SECTION 4. ETF 10.25 (3) and (5) are renumbered ETF 10.25 (2) and (4).

SECTION 5. ETF 10.25 (4) (b) to (f) are renumbered ETF 10.25 (3) (a) to (e).

This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s.227.22 (2) (intro.), Stats.

clr19018.07



State of Wisconsin \ DEPARTMENT OF EMPLOYE TRUST FUNDS

October 10, 1990

Gary I. Gates  
Secretary

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

IN REPLY REFER TO:

Gary Poulson, Assistant  
Revisor of Statutes  
Suite 702, 30 West Mifflin  
Madison, WI 53703

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Revisor of Statutes  
Bureau

Dear Mr. Poulson:

Re: Clearinghouse Rule #90-1918

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

Sincerely,

David Stella, Director  
Retirement & Survivor Benefits  
(608) 267-9038

Enclosure