



STATE OF WISCONSIN
Department of Employee Trust Funds
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SECRETARY

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CORRESPONDENCE MEMORANDUM

DATE: November 8, 2010
TO: Employee Trust Funds Board
FROM: Matt Stohr, Director
Office of Communications and Legislation
SUBJECT: Member Correspondence

This memo is for informational purposes only. No Board action is required.

Please find enclosed a sampling of member correspondence (letters and e-mails) that the Department has received from Wisconsin Retirement System (WRS) members since the September Board meeting. The Department's response precedes the member's letter in the enclosed packet. However, the Department's response to the last enclosed letter will be distributed at the December meeting because it was not finalized at the time the Board packets were mailed.

As you are aware, many WRS members contact their state representative or senator, the Governor, and/or their United States representative or senator about WRS issues. The Department has received 23 member contacts through the Governor's office and legislators from August 2010 to present. All of these contacts have been responded to and addressed.

I will be available at the December meeting to answer any questions you may have.

Enclosures

Reviewed and approved by Rhonda Dunn, Executive Assistant.
Rhonda Dunn 11-11-10
Signature Date

Board	Mtg Date	Item #
ETF	12.2.10	5B

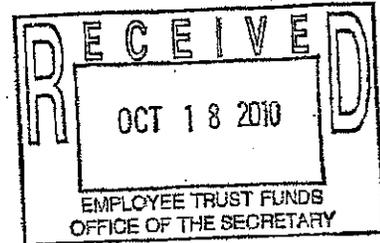
Sheriff

Chief Deputy



October 15, 2010

Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931



RE: Change in Factor Multiplier for Money Purchase

To Whom It May Concern,

On October 14, 2010 I went on the Employee Trust Fund's web site to use the calculator and to my surprise found out that the factor multiplier for money purchase had changed significantly sometime within the last few weeks. When I had my estimate prepared with a retirement date of December 30, 2010, a multiplier for me was .006230. Now I see that effective October 1, 2010 that multiplier has been reduced to .006160.

I don't understand why, or how, the Employee Trust Fund can change a significant part of the calculations utilized to determine a person's annuity without some type of notice to the effected parties. I know that at least two Sheriffs received their estimate for retirement in May of 2010, and based on the dollar amount, chose not to seek re-election. Clearly in both of those cases they will now be receiving a smaller annuity amount.

In my case, I had a job offer to start with a correctional health company effective September 1, 2010; however, due to the estimate I was given and the reduced dollars I would have received had I retired on September 1, 2010, I chose not to accept that position. My point is that many of us have made life decisions based on estimates provided by Employee Trust Funds only to find out that Employee Trust Funds has changed the factor multiplier for money purchase without any advanced notice.

I fully understand the need to make adjustments based on what is in the best interest of the funds and that those decisions need to be made in order to make sure that the funds stay solvent. What disturbs me is that this decision only affects those of us that chose not to retire at the minimum ages, but instead chose to work later in our life. It seems unfair to me that the only changes made impact those of us that are money purchase eligible.

I would also like to point out that I don't understand why this change occurred during the year rather than waiting to make it effective January 1, 2011. Many decisions coming out of Employee Trust Funds occur effective January 1.

Again, it is disappointing to me that Employee Trust Funds made this change without any notice to the active employees of the Trust Fund. Further, that it was done in mid year versus the start of a new year.

Respectfully,