



# EMPLOYER BULLETIN

Employer Communication Center  
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Vol. 24, No. 11  
June 25, 2007

- **Employee Trust Funds Board Announces 2008 Contribution Rates**
- **Employer Contribution Rates Internet Calculator**

## 2008 Contribution Rates

At its June 22 meeting, the Employee Trust Funds Board (Board) approved Wisconsin Retirement System (WRS) contribution rates for 2008, including rates for the § 40.65, Wis. Stat., protective occupation duty-disability and the state's Accumulated Sick Leave Conversion Credit programs. These rates are based on current benefit levels and recommendations from the Board's consulting actuary.

The annual actuarial valuation incorporates current economic and demographic data into the existing financial condition of the WRS in setting new contribution rates for the system. It is normal for contribution rates to fluctuate somewhat from year to year, based on investment earnings, wage inflation and emerging demographic trends. In addition, the changes in contribution rates may vary between employment categories, depending on varying demographic trends within those groups. Benefits being paid to current annuitants are not affected by these rate changes.

Under Wis. Stat. § 40.05, WRS contribution rate changes are split evenly between the employer and employee. Employers that have either elected to increase prior service coverage or pay off unfunded liability balances may also experience a change in prior service rates.

Enclosed are your contribution rates effective for salaries and wages paid beginning January 1, 2008. Note that contribution rates for the following WRS employment categories are unchanged from 2007:

- **General** (including Teachers and Educational Support Personnel)
- **Executive, Elected and Judges**
- **Protective with Social Security**
- **Protective without Social Security**

Please reference the enclosed page for the effect on your total rate. In early February 2008 you will receive your *WRS Monthly Retirement Remittance Report* forms (ET-1515) reflecting these contribution rates for use in reporting earnings paid in 2008.

## Employer Contribution Rates Available on ETF's Web Site

You can access your WRS contribution rates on ETF's Web site at <http://etfonline.wi.gov/ETFCalculatorWeb/etf/internet/employer/ETFemployerrates.jsp> with a few simple steps:

- Select "employers" button at the top of Homepage;
- Scroll down the employer page and select "WRS Contribution Rates by Employer 2007/2008." A screen with an alphabetical employer drop down list will appear;
- Select the employer name from the list and click "Calculate." Current and future year contribution rates will appear.

Please note that rates will be updated each year following the Board's announcement of the upcoming year's rates. For more information regarding the 2008 contribution rates or the Internet contribution rate calculator, please contact Nancy Kittleson in ETF's Office of Trust Finance & Data Analysis at (608) 267-9034.

**Employee Required Contribution (may be paid by employer)**

5.0%	General, including Teachers and Educational Support Personnel (no change)
3.0%	Judges, Elected Officials and State Executive Positions Designated in § 20.923 (4), (8), or (9) (no change)
5.1%	Protective with Social Security (no change)
3.4%	Protective without Social Security (no change)

**Employee Benefit Adjustment Contribution (may be paid by employer)**

1.0%	General, including Teachers and Educational Support Personnel (no change)
0.0%	Judges, Elected Officials and State Executive Positions Designated in § 20.923 (4), (8), or (9) (no change)
0.0%	Protective with Social Security (no change)
0.0%	Protective without Social Security (no change)

**Employer Required Contributions - Current Service (must be paid by employer)**

4.6%	General, including Teachers and Educational Support Personnel (no change)
8.5%	Judges, Elected Officials and State Executive Positions Designated in § 20.923 (4), (8), or (9) (no change)
8.2%	Protective with Social Security (no change)
10.8%	Protective without Social Security (no change)

**Employer Required Contributions - Unfunded Actuarial Liability (must be paid by employer)**

Same rate as 2007 unless employer elected to provide increased prior service coverage or paid off liability at an accelerated rate.

**Employer Duty-Disability Contribution (must be paid by employer)**

Effective January 1, 2008, the experience-rated duty disability contribution rate schedule will remain the same as 2007 and will be determined as listed below:

- 1.9% - Groups with claims payout of less than or equal to 0.5% of payroll.
- 2.4% - Groups with one claim in which the pay out is more than 0.5%, and groups with two or more claims in which the pay out is more than 0.5%, but less than 1.0% of payroll.
- 3.6% - Groups with two or more claims in which the pay out is more than 1.0%, but less than 2.0% of payroll.
- 5.4% - Groups with two or more claims in which the pay out is more than 2.0%, but less than 3.0% of payroll.
- 6.6% - Groups with two or more claims in which the pay out exceeds 3.0% of payroll.
- Over 6.6% - Groups with two or more claims in which the payout exceeded 6.6% during the prior year. Rate will be 6.6% plus 50% of new claims over 6.6%. The 50% experience factor is based on claims incurred in the last 4-1/2 years (2003).

**Employer Accumulated Sick Leave Conversion Credit Contributions (must be paid by employer)**

This rate applies to state agencies only. Please see your individual rate page for the sick leave rate.