



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
 A. John Voelker  
 SECRETARY

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## ***Correspondence Memorandum***

**Date:** August 16, 2023

**To:** Deferred Compensation Board

**From:** Tarna Hunter, Government Relations Director  
 Office of the Secretary

**Subject:** 2023-2025 State Biennial Budget

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

### **2023–2025 Biennial Budget**

On July 5, 2023, Governor Evers signed the 2023-2025 State Budget ([2023 Act 19](#)) into law. Upon initial review, several provisions affecting the Department of Employee Trust Funds (ETF) and/or Wisconsin Retirement System (WRS) benefit programs have been identified. Overall, this was a successful budget for ETF. Some of the highlights include:

- **Modernization-Related Ongoing IT Expenses** – Provides 7.0 FTE (4.0 permanent and 3.0 project positions) and a permanent increase to base funding of \$3.6 million in FY 2024 and \$8.1 million in FY 2025 to support increases for ongoing operational IT expenses associated with the Insurance Administration System (IAS), data management and consulting/contractor costs related to replacing outdated legacy IT systems.
  - Note: Because of veto concerns, the Legislature removed the provision that specified ETF may request positions and funding for modernization through the passive review process. The Legislature is supportive of ETF’s modernization needs and ETF will still be able to use another legislative venue (through the s. 13.10 process) to request positions and funding for modernization.
- **Critical Customer Service Functions** – Provides 5.0 FTE Trust Funds Specialists to maintain basic, critical customer service functions for members and employers related to significant increases in the member and employer populations that ETF serves.

*Pamela L Henning*

Reviewed and approved by Pam Henning, Assistant Deputy Secretary  
 Electronically Signed 08/16/2023

Board	Mtg Date	Item #
DC	09.07.23	13C

- **Mandatory LAB Actuarial Audit** – Provides one-time funding of \$17,000 SEG in FY 2024 and \$174,000 SEG in FY 2025 to contract with the Legislative Audit Bureau (LAB) for the actuarial audit of the Wisconsin Retirement System that is statutorily required at least once every five years and for actuarial services related to performing a Governmental Accounting Standards Board valuation audit related to the retiree life insurance and sick leave programs.

Staff will be at the Board meeting to answer any questions.