



STATE OF WISCONSIN
Department of Employee Trust Funds
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 SECRETARY

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Correspondence Memorandum

Date: August 31, 2021
To: Employee Trust Funds Board
From: Tarna Hunter, Legislative Liaison
Subject: 2021-23 Biennial Budget

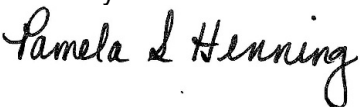
This memo is for informational purposes only. No Board action is required.

On July 8, 2021, Governor Evers signed the 2021-23 biennial budget into law ([2021 Wisconsin Act 58](#)). The Department of Employee Trust Funds (ETF) has completed a review of the law and prepared a summary of the provisions that relate to the benefit programs that the board oversees.

Department of Employee Trust Funds
Summary of Fiscal 2021-2023 Biennial Budget Request
 Updated August 31, 2021

	FY 2022		FY 2023	
	FTE	Funding	FTE	Funding
Adjusted Base – SEG	274.20	\$49,694,400	274.20	\$49,694,400
Adjusted Base – GPR	0.00	\$56,400	0.00	\$56,400
ETF Request Over Base* - SEG	3.00	\$1,508,200	3.00	\$1,679,200
ETF Request Over Base** - GPR	0.00	(\$14,400)	0.00	(\$23,300)
Governor’s Recommendations	0.00	\$1,770,500	0.00	\$1,368,500
Joint Committee on Finance	1.00	\$1,151,900	1.00	\$1,271,200
Legislature	1.00	\$1,151,900	1.00	\$1,271,200
Final Enacted Budget	275.20	\$50,902,700	275.20	\$51,022,000

SEG = Segregated funding
 GPR = General Purpose Revenue funding
 *Includes new initiatives and standard technical adjustments.
 **GPR funding is a reduction from 2019-21 biennium.

Reviewed and approved by Pam Henning, Assistant Deputy Secretary

 Electronically Signed 9/2/21

Board	Mtg Date	Item #
ETF	09.16.21	6A1
BUD	09.16.21	5a

ETF's 2021-23 budget consists of an overall increase of 2.4% all funds, including a 2.5% increase in SEG funds and a 33.4% decrease in GPR funds. Below is a table detailing ETF's funding for the 2021-23 biennium.

Funding Item	FY 2022 Funding	FY 2023 Funding
Adjusted Base	\$49,750,800	\$49,750,800
Full Funding of Positions and Operations	\$1,414,700	\$1,414,700
Turnover Reduction	(\$772,600)	(\$772,600)
Removal of Noncontinuing Elements from the Base	(\$38,000)	(\$228,500)
Annuity Supplements	(\$14,400)	(\$23,300)
Overtime + Night & Weekend	\$117,900	\$117,900
DOA Lease & Directed Moves	\$14,500	\$14,500
IT Modernization Operational Costs	\$317,300	\$424,200
Convert 3.0 FTE Project Positions to Permanent	\$38,000	\$228,500
Cybersecurity Position – 1.0 FTE	\$74,500	\$95,800
Total	\$50,902,700	\$51,022,000

The 2021-23 biennial budget (2021 Act 58) included the following provisions impacting ETF:

- **General Wage Adjustments** – Provides general wage adjustments for most state employees of two percent on January 1, 2022, and an additional two percent on January 1, 2023.
- **Full Funding of Salary and Fringe Benefits** – Continues full funding of ETF's current operations. ETF's 2021-23 budget consists of an overall funding increase of 2.4%.
- **Converts Project Positions to Permanent** – Converts 2.0 FTE SEG Trust Funds Specialist and 1.0 FTE SEG Accountant project positions to permanent. All three project positions were 4-year project positions that were provided to support the Department's major initiative of modernizing its business processes and IT systems.
- **Cybersecurity Position** – Provides a computer and internet security analyst to provide additional permanent support to maintain our robust cybersecurity program. This permanent position is critical to the ongoing management of ETF's cybersecurity program, especially as ETF moves to modernize its information

technology systems and manage all health and retirement benefits for members online.

- **Support for Modernization-Related Ongoing IT Expenses**– Provides a permanent increase to base funding of \$317,300 in FY 2022 and \$424,200 in FY 2023 to support increases for ongoing operational IT expenses related to recent ETF modernization efforts, including the re-designed ETF website, data management tools, project management software, appointment scheduling software, and automatic call distribution software.

I will be available at the September 16, 2021, Board meeting to answer any questions.