



STATE OF WISCONSIN
Department of Employee Trust Funds
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Correspondence Memorandum

Date: November 2, 2021

To: Employee Trust Funds Board

From: Amelia Slaney, CPA
 Division of Trust Finance

Subject: ETF Annual Comprehensive Financial Report CY2020

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

The Department of Employee Trust Funds (ETF) staff have prepared and published the 2020 financial statements and related notes for the Wisconsin Retirement System (WRS) and other benefit programs administered by ETF in the 2020 Annual Comprehensive Financial Report (ACFR). This report was previously referred to as the Comprehensive Annual Financial Report and was renamed in response to guidance from professional organizations after discovery that the previously used acronym is a racial slur used in Southern Africa. ETF also published Employer Schedules for the WRS, State Retiree Life Insurance, Local Retiree Life Insurance, and Supplemental Health Insurance Conversion Credit programs.

The reports were audited by the Legislative Audit Bureau (LAB). LAB issued unmodified opinions, which means the financial statements present fairly, in all material respects, the financial position of the programs as of December 31, 2020, and the respective changes in financial position, in accordance with accounting principles generally accepted in the United States of America.

ETF is committed to implementing, maintaining, and monitoring internal controls to safeguard the assets of the trust funds, ensure compliance with applicable laws and regulations, and ensure effective administration of benefit programs. The positive results of the audit demonstrate this commitment. During the audit, LAB offered three recommendations to improve the Employee Reimbursement Account and Commuter Benefits Program oversight and processes. ETF is working with the third-party administrator to address the recommendations.

Reviewed and approved by Cindy Klimke-Armatoski, Chief Trust
 Financial Officer and Controller – Electronically Signed 11/17/21

C. Klimke

Board	Mtg Date	Item #
ETF	12.09.21	4C

The WRS continues to be well funded. The funding ratio as of December 31, 2020, calculated in accordance with Governmental Accounting Standards Board principles, is 105.3%, an increase from 103.0% reported as of December 31, 2019. The increase was primarily the result of strong market returns in 2020.

The presentation includes an overview of the ACFR, a summary of the audit results, and a few financial statistics for the WRS as of December 31, 2020.

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