STATE OF WISCONSIN
Department of Employee Trust Funds
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Correspondence Memorandum

Date: September 29, 2025

To: Budget and Operations Committee
Employee Trust Funds Board

From: Tarna Hunter, Budget and Management Director
Office of Budget and Management

Subject: 2025-2027 Biennial Budget Update

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

On July 3, 2025, Governor Evers signed the 2025-2027 State Budget (**2025 Act 15**) into law. 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 2025-2027 Biennial Budget Request
(Updated September 29, 2025)

	FY 2026 FTE	FY 2026 Funding	FY 2027 FTE	FY 2027 Funding
Adjusted Base – SEG[i]	287.20	$64,117,200	287.20	$64,117,200
Adjusted Base – GPR[ii]	0.00	$12,900	0.00	$12,900
ETF Request Over Base[iii] **- SEG**	9.00	$17,143,200	9.00	$16,985,400
ETF Request Over Base[iv] **- GPR**	0.00	($700)	0.00	($4,900)
Governor's Recommendations	4.00	$14,832,900	4.00	$14,938,600
Joint Committee on Finance	-1.00	$70,691,200	-1.00	($313,000)
Legislature	-1.00	$70,691,200	-1.00	($313,000)
Final Enacted Budget	**-1.00**	**$70,691,200**	**-1.00**	**($313,000)**

[i] SEG = Segregated funding
[ii] GPR = General Purpose Revenue funding
[iii] Includes new initiatives and standard technical adjustments.
[iv] GPR funding is a reduction from 2023-2025 biennium.

Pamela L Henning

Reviewed and approved by Pam Henning, Assistant Deputy Secretary
Electronically Signed 09/29/2025

Board	Mtg Date	Item #
BUD	10.02.25	4
ETF	10.02.25	5C

Over the 2025-2027 biennium, ETF's budget marks an increase from the adjusted base of approximately 55% all funds. Below is a table detailing ETF's funding approved by the Joint Committee on Finance for the 2025-2027 biennium by funding item.

ETF's Budget Request (Funding Detail)

Funding Item	FY 2026		FY 2027	
	Funding ($)	FTE (#)	Funding ($)	FTE (#)
Adjusted Base	**$64,130,100**	**287.20**	**$64,130,100**	**287.20**
Standard Budget Adjustments[v]	**($230,300)**	**-**	**($230,300)**	**-**
Pension Admin. System Replacement	**$71,000,000**	**-**	**-**	**-**
Delete Vacant Position	($77,800)	-1.0	($77,800)	-1.0
Annuity Supplements (Adjustment)	($700)	-	($4,900)	-
Total	**$134,821,300**	**286.20**	**$63,817,100**	**286.20**

[v] Includes full funding of positions, turnover reduction, overtime, night, and weekend differential pay, and agency space use.

- **Full Funding of Salary and Fringe Benefits** – Continues full funding of ETF's current operations. The proposed ETF 2025-27 budget consists of an overall funding increase of approximately 55%.

- **Pension Administration Replacement Project** – Provides one-time funding of $71,000,000 to support the replacement of ETF's antiquated Pension Administration System.

- **Vacant Position** – Deletes 1.0 FTE Trust Fund Specialist position that has been vacant for more than 12 months.

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