



STATE OF WISCONSIN
Department of Employee Trust Funds
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Correspondence Memorandum

Date: September 22, 2025

To: Employee Trust Funds Board

From: Gene Janke, Benefit Services Bureau Director
Division of Benefits Administration

Subject: Duty Disability Funding Target Policy Review Scheduled for March 2026

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

The Department of Employee Trust Funds (ETF), after consulting with disability program actuaries, are aligning the review of the Duty Disability Funding Target Policy to coincide with the Duty Disability program three-year experience study that is due to be completed in March of 2026. This will ensure that the ETF Board receives the most up-to-date information from the experience study that informs the reserve balance target analysis. The reserve balance target for the Duty Disability program guides the Board in making decisions about changes to Duty Disability premiums that are sufficient to fund plan liabilities, protect the fiscal integrity of the program, and maintain premium rates that are adequate, stable, and equitable.

The Duty Disability program is a lifetime income replacement program. Duty disability benefits are payable to protective occupation participants injured while performing their protective occupation duties. This program is funded entirely by contributions paid by employers, and contribution rates are based on an experience-rated tier schedule. While the contribution rate tier structure remains constant, the actual contribution rates for each tier are adjusted to meet the plan's current funding needs.

The Board has established a reserve balance target for the Duty Disability program to be reviewed and adopted every three years. The current Duty Disability reserve target is 130% of plan liabilities. This was the adopted target on June 23, 2022, and in the previous review on June 20, 2019. This adjustment will ensure that the most recent experience data will be used in developing the target policy.

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

Patti Epstein

Reviewed and approved by Patti Epstein, Chief Benefits Officer, Division of Benefits Administration
Electronically Signed 09/02/2025

Board	Mtg Date	Item #
ETF	10.02.25	5F