



STATE OF WISCONSIN
Department of Employee Trust Funds

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CORRESPONDENCE MEMORANDUM

DATE: September 5, 2008
TO: Wisconsin Retirement Board
FROM: John Vincent, Administrator
Division of Trust Finance and Employer Services
SUBJECT: Local Executive Classification

This memo is for the Board's information only. No action is required.

At the June Wisconsin Retirement Board meeting a request was made for information on why non-elected, local government executives are not considered to be "executive" positions for Wisconsin Retirement System (WRS) purposes.

"Executive participating employee" for WRS purposes is defined in state law and only includes state positions¹. The Legislature has never defined positions at the local level as "executive" positions for WRS purposes.

The term "executive participating employee" has always been directly connected with the state pay plan and has been limited exclusively to state positions since its inception. The only clear legislative history indicates that when the executive classification was created in 1973 by Assembly Bill 1120 (which was subsequently enacted as C.51, Laws of 1973), it was aimed at implementing provisions of the state compensation plan. According to the explanatory note by the Joint Committee on Employment Relations for this section of Assembly Bill 1120, "This section modifies the retirement provisions for certain administrative positions included in the proposed Executive Salary Plan to make them comparable to those for constitutional officers." This provision continued through the merger bill that created the WRS in 1982. To date, no legislation has been introduced to extend the classification to include local executives.

I will be available at the meeting to answer any questions.

¹ Wis. STAT. § 40.02 (30) "Executive participating employee" means a participating employee in a position designated under s. 19.42(10)(L) or 20.923(4), (4g), (7), (8), or (9) or authorized under s. 230.08(2)(e) during the time of employment. All service credited prior to May 17, 1988, as executive service as defined under s. 40.02(31), 1985 stats., shall continue to be treated as executive service as defined under s. 40.02(31), 1985 stats., but no other service rendered prior to May 17, 1988, may be changed to executive service as defined under s. 40.02(31), 1985 stats.

Reviewed and approved by Robert J. Conlin, Deputy Secretary.

Signature

Date

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