



FOR YEAR ENDED DECEMBER 31, 2012

2012

COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT

State of Wisconsin
Department of
Employee Trust Funds



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COMPREHENSIVE ANNUAL FINANCIAL REPORT

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ET-8501

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December 9, 2013

GOVERNOR SCOTT WALKER
MEMBERS OF THE STATE LEGISLATURE
PUBLIC EMPLOYEES, EMPLOYERS AND OTHER INTERESTED PARTIES:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Wisconsin Department of Employee Trust Funds (ETF) for the year ended December 31, 2012. This report is intended to provide comprehensive and reliable information about ETF, the Wisconsin Retirement System (WRS), and other benefit plans and trust funds administered by ETF. Management is responsible for both the accuracy of the data and the completeness and fairness of the presentation. I hope you will find this report useful and informative.

The WRS continues to be one of the best-funded public employee retirement systems in the country. A well-funded system ensures that a lifetime of benefits can be paid to today's workers without burdening the next generation of taxpayers with higher contributions. The financial strength of the WRS is attributable to its unique plan design, funding discipline at the state and local level, strong governance, and the effective investment strategies of the State of Wisconsin Investment Board (SWIB).

Historical Overview

The WRS was created effective January 1, 1982. The system covers state and local public employees, including the University of Wisconsin System, local police and firefighters, and all publicly-employed teachers in the state. Those not included are employees of the City of Milwaukee and Milwaukee County, who are covered under separate retirement systems. While the WRS has existed since 1982, pension coverage for local government employees has been in place since 1891, when the legislature required Milwaukee to create a pension fund for retired and disabled police and firefighters. Since that date, the legislature has extended pension coverage to other public employees, along with creating group life and health insurance programs.

The Group Insurance Board was created in 1959 to monitor the administration of the life and health insurance programs. In 1967, the Department of Employee Trust Funds was created to administer the various retirement and related benefit programs.

Currently, the WRS is composed of 28% state employees and 72% local employees. As of December 31, 2012, the WRS had 256,833 active employees, 173,655 annuitants (retirees, disability recipients, and beneficiaries), and 159,973 inactive employees with deferred benefits payable.

ETF Mission and Responsibilities

ETF's mission is "to develop and deliver quality benefits and services to our customers while safeguarding the integrity of the Trust." ETF administers retirement, health, life, income continuation, long-term disability, and long-term care insurance programs, along with an employee reimbursement accounts program, commuter benefits program, and a deferred

compensation plan. ETF also administers retirement disability coverage and serves as the state's designated coverage agent for Social Security for Wisconsin public employers. There are five different statutory boards with responsibilities for programs operated by the Department. The ETF Board is both the overall governing body for the Department and the general policy-setting and trustee board for the entire WRS.

All insurance programs are administered through contractual arrangements with private sector insurance firms and service corporations. Participation by eligible employees is mandatory for retirement and Social Security but optional for the other programs. ETF collects but does not invest the trust fund monies created for these programs. That responsibility rests with SWIB.

ETF is responsible for:

- Collecting all monies due the trust funds.
- Calculating and ensuring appropriate disbursement of all benefit payments from the trust funds.
- Providing information to, and answering inquiries from, participating employees and employers.
- Establishing the controls, systems, and procedures necessary to ensure the appropriate administration and security of the trust.

Administration

ETF's administration of the WRS continues to make it one of the most cost-efficient systems, in terms of administrative expenses per member. In a recent public pension fund administration benchmarking study conducted by industry leader CEM Benchmarking, Inc., the annual per-member administrative expenses associated with the retirement and disability programs was \$62 for the WRS, compared to the median per-member cost of \$86. ETF employs one full-time equivalent staff person per 1,805 members, compared to the peer system median of one per 1,548 members.

Internal Controls

ETF has a formal internal control plan that is reviewed annually and updated as necessary. This plan provides reasonable assurance that ETF assets are safeguarded, that applicable statutes and rules are followed, and ETF goals and objectives are achieved. The Legislative Audit Bureau considers ETF's controls in order to determine auditing procedures for the purpose of expressing an opinion on ETF's annual financial statements, but it does not provide an opinion on the controls. These financial statements are presented in accordance with Generally Accepted Accounting Principles, and all supporting schedules and statistical tables have been fairly presented.

Acknowledgements

I would like to express my appreciation to the Governor, members of the legislature, members of the boards, staff, employers, participants, and all those whose efforts and interest combine to ensure the successful operation of our system, while protecting the integrity of the trust funds.

Sincerely,

Robert J. Conlin



Public Pension Coordinating Council

***Public Pension Standards Award
For Funding and Administration
2012***

Presented to

Wisconsin Retirement System

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

A handwritten signature in black ink that reads "Alan H. Winkle".

Alan H. Winkle
Program Administrator

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INTRODUCTION

**State of Wisconsin
Department of
Employee Trust Funds**



PROGRAM HIGHLIGHTS

The following section presents condensed financial statements, statistical information, and analysis of the programs administered by the Department of Employee Trust Funds (ETF). All values in the Summary Financial Statements, including totals and percentages, have been rounded for presentation. As a result, totals and percentages may not appear to be calculated correctly. A percentage change of “n/a” indicates that prior year actual amounts were negative and the percentage change is not meaningful.

WISCONSIN RETIREMENT SYSTEM

Summary Financial Statements				
	2012	2011	Increase	Increase
	\$ in millions	\$ in millions	(Decrease)	(Decrease)
			\$ in millions	%
Assets	\$87,330.0	\$78,994.1	\$8,335.9	11%
Liabilities	<u>6,257.7</u>	<u>5,086.1</u>	<u>1,171.6</u>	23%
Reserves:				
Employer Reserve	20,164.9	20,831.1	(666.2)	(3%)
Employee Reserve	14,396.2	14,513.9	(117.7)	(1%)
Annuity Reserve	44,053.0	43,593.0	460.0	1%
Reserve for Changes in the Market Value of Investments	2,392.3	(5,080.8)	7,473.1	n/a
Undistributed Earnings	55.3	41.8	13.5	32%
Blended Administration	<u>10.6</u>	<u>9.0</u>	<u>1.6</u>	18%
Net Position Held in Trust	<u>\$81,072.3</u>	<u>\$73,908.0</u>	<u>\$7,164.3</u>	10%
Additions				
Contributions	\$1,556.5	\$1,547.8	\$8.7	1%
Investment Income	9,858.7	664.0	9,194.7	1,385%
Other Additions	<u>5.4</u>	<u>7.6</u>	<u>(2.2)</u>	(29%)
Total Additions	<u>11,420.6</u>	<u>2,219.4</u>	<u>9,201.2</u>	415%
Deductions				
Benefits and Distributions	4,234.7	4,164.9	69.8	2%
Admin. & Other Expenses	<u>21.6</u>	<u>18.6</u>	<u>3.0</u>	16%
Total Deductions	<u>4,256.3</u>	<u>4,183.5</u>	<u>72.8</u>	2%
Net Increase (Decrease)	<u>\$7,164.3</u>	<u>(\$1,964.1)</u>	<u>\$9,128.4</u>	n/a

PROGRAM DESCRIPTION

The Wisconsin Retirement System (WRS) collects and invests employee and employer contributions and pays retirement, disability, and death benefits to former employees—and their beneficiaries—of the state and participating local governments in Wisconsin.

FINANCIAL HIGHLIGHTS

- For presentation purposes, the administrative fund, general fund, and fixed assets have been blended into the WRS financial statements. This blending resulted in an increase of \$10.6 million in 2012 and

an increase of \$9.0 million in 2011 in the Net Position Held in Trust.

- The Annuity Reserve increased by 1% in 2012, from \$43.6 billion to \$44.1 billion. This included a 0.5% increase in the Core Annuity Reserve of \$0.18 billion and an 8.7% increase in the Variable Annuity Reserve of \$0.28 billion.
- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to the WRS. The MRA increased by \$7.8 billion in 2012, the result of \$3.2 billion in actuarial investment gains from 2012 being deferred for future recognition, and \$4.6 billion of previously-



deferred investment losses from 2008 through 2011 being recognized in 2012. 97.6% or \$2,392.3 million of the deferred gains in the MRA are attributable to the WRS.

- Contributions increased 1% in 2012, from \$1.55 billion to \$1.56 billion. This included a 6.5% increase in employer contributions, from \$750 million to \$799 million, and a 5.1% decrease in employee contributions, from \$798 million to \$757 million. The increased contributions resulted from a 0.7% decrease in covered payrolls and a 1.7% increase to contribution rates in 2012. Prior to approximately July 1, 2011, most employee contributions were paid by the employer on behalf of the employee. 2011 Act 10 restricted the employer from paying the employee required contribution, unless provided for by an existing collective bargaining agreement. In 2012 employees paid more than \$611 million of required contributions and more than \$10 million of voluntary contributions.

- Net investment income increased by \$9.2 billion in 2012, from a \$0.7 billion gain to a \$9.9 billion gain. This included an increase in Core Trust Fund income of \$8.2 billion, from a \$0.8 billion gain to a \$9.0 billion gain, and an increase in Variable Trust Fund income of \$1.0 billion, from a \$0.2 billion loss to a \$0.8 billion gain.

- The balanced Core Trust Fund realized a 13.7% investment return, while the equity-based Variable Trust Fund experienced a 16.9% return. The Core Trust Fund gain, after being smoothed through the MRA, resulted in a core effective rate of 2.2% being credited to the Core Fund accounts and reserves. The Variable Trust Fund loss was passed through to Variable Fund accounts and reserves with a 17% Variable effective rate.

- Benefit payments increased by 1.7%, from \$4.16 billion to \$4.23 billion. Core annuities (including Section 62.13 Police & Firefighters) increased by 2.3%,

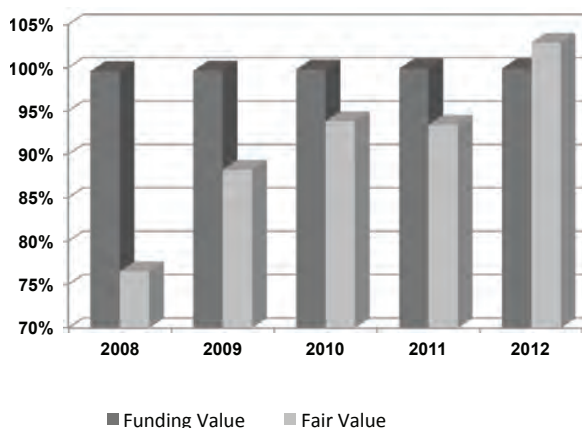
from \$3.74 billion to \$3.83 billion, while variable annuities decreased by 1.8%, from \$317 million to \$311 million. Lump sum payments (separations, death benefits, and minimum annuities) decreased by 10.0%, from \$103.2 million to \$92.9 million. See “Annuity Payments” section below for details.

FUNDED STATUS

The funded status of the WRS is a measure of the extent to which the system has accumulated enough assets to pay the benefits earned by participants. The funded ratio is the ratio of plan assets to estimated future liabilities. The assets can be measured using either the current fair value of assets or the smoothed funding value of assets. The fair value measurement gives a more timely measurement, but can be extremely volatile. The funding value measurement is less representative of current fair value, but better presents the funding trends without the year-to-year volatility.

The funding value-based funded ratio was unchanged at 99.9% funded. The fair value-based funded ratio for the WRS increased from 93.4% funded to 102.9% funded. This increase was the result of the investment gain in 2012.

WRS Funded Ratio



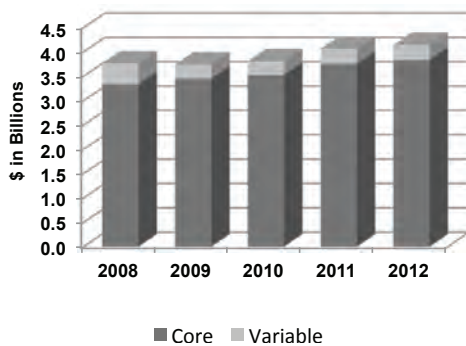


ANNUITY PAYMENTS

In 2012 ETF paid a total of \$4.2 billion in benefits to retired persons, disabled retirees and beneficiaries of retirees. This was an increase of 1.7%, or \$70.1 million, over 2011. Core annuities increased by 2.3%, from \$3.7 billion to \$3.8 billion, while Variable annuities decreased by 1.8%, from \$317 million to \$311 million. Annuities paid to the closed group Section 62.13 Police and Firefighters decreased by 21.7%, from \$6.7 million to \$5.2 million.

Annuitants with Core annuities experienced a 7.0% decrease in their benefits in 2012, while Variable annuities also received a 7.0% decrease in their benefits, effective April 1, 2012.

Annuity Payments

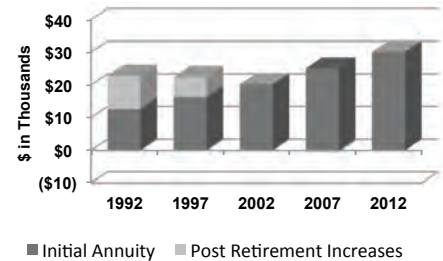


Approximately 9,572 additional persons began receiving annuities during 2012, while 3,370 annuities were ended due to death or expiration of a guarantee period. At year-end, 173,655 people were receiving retirement, disability, or beneficiary annuities, an increase of 3.7% over 2011.

The **average** annual annuity received by **all** retirees (Core and Variable combined) decreased to \$23,673 in 2012, down 5.3% from the previous year. The average annual amount of new annuities begun during 2012 was \$30,072 down 4.9% from \$31,632 in 2011.

While the initial amount of new annuities has increased over time, post-retirement increases have generally helped maintain the purchasing power of existing annuities. The exception to this is in the years since the market decline in 2008, when there were post-retirement decreases due to the losses being smoothed over 5 years. The accompanying chart shows how new annuities have increased over time based on investment performance, as well as how post-retirement increases multiplied the value of the annuity over time.

Average Annual Annuity By Year Annuity Began

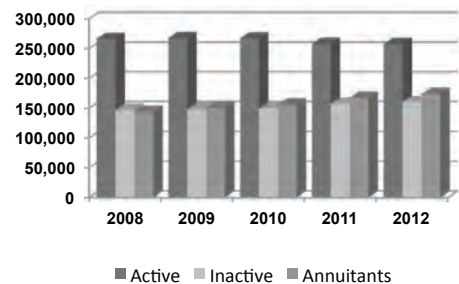


PARTICIPATION

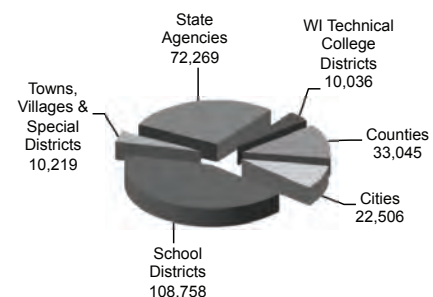
There were 590,461 WRS participants as of December 31, 2012, an increase of 1.5% over the previous year. Participants include 256,833 active government employees, a decrease of 0.2% from the previous year; 173,655 retirees and others receiving annuities, an increase of 3.7% over the previous year; and 159,973 “inactives,” or former public employees who had not yet taken a benefit from their retirement accounts, an increase of 1.8% over the previous year. To put the WRS growth in perspective, the total participation level has risen by 80,977 persons since 2002, a 15.9% increase.

In 2012, the total number of employers participating in the WRS decreased from 1,480 to 1,478. This includes the addition of one village, one town, and the elimination of four state agencies.

WRS Participants



Participants by Employer Type





DEFERRED COMPENSATION PLAN AND TRUST

Summary Financial Statements

	2012 <i>\$ in millions</i>	2011 <i>\$ in millions</i>	Increase (Decrease) <i>\$ in millions</i>	Increase (Decrease) %
Net position available for plan benefits	\$3,025.4	\$2,691.7	\$333.7	12%
Additions				
Employee Contributions	\$136.7	\$147.5	(\$10.8)	(7%)
Transfers In	13.1	11.5	1.6	14%
Investment Income	<u>308.9</u>	<u>15.1</u>	<u>293.8</u>	1,946%
Total Additions	<u>458.7</u>	<u>174.1</u>	<u>284.6</u>	163%
Deductions				
Participant Distributions	122.6	120.8	1.8	1%
Administrative Expenses	2.1	1.9	0.2	11%
Other	<u>0.3</u>	<u>0.4</u>	<u>(0.1)</u>	(25%)
Total Deductions	<u>125.0</u>	<u>123.1</u>	<u>1.9</u>	2%
Net Increase (Decrease)	<u>\$333.7</u>	<u>\$51.0</u>	<u>\$282.7</u>	554%

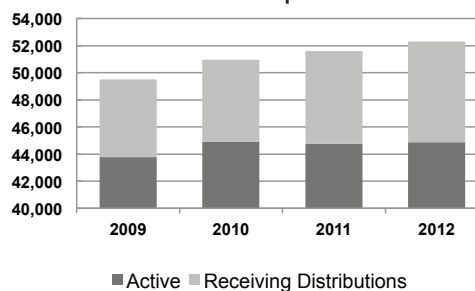
PROGRAM DESCRIPTION

The State of Wisconsin Public Employees Deferred Compensation Plan and Trust (the Plan) was established in 1981 pursuant to Wisconsin State Statute Section 40.80. Under the Plan provisions, employees of the State of Wisconsin and public employers in Wisconsin that elect to participate are eligible to contribute to the Plan through payroll deductions. The Plan is governed by the Wisconsin Deferred Compensation Board. The plan is administered by a third party and the Wisconsin Deferred Compensation Board is trustee of the Plan.

PARTICIPATION

There were 44,866 active members participating in the Plan as of December 31, 2012, and 7,447 participants who received a distribution from the plan in 2012. As of December 31, 2012 approximately 30% of the Plan assets were applicable to State employees and the remaining 70% represent assets of other Wisconsin public employers participating in the Plan.

Plan Participants



FINANCIAL STATEMENTS

The annual financial statements audit report for the WDC can be found in the Board's Governance Manual on the Department's website.

The direct link to the most current report is http://etf.wi.gov/boards/gov_manual_WDC/audit-fs.pdf.



ACCUMULATED SICK LEAVE CONVERSION CREDIT (ASLCC) PROGRAM

Summary Financial Statements

	2012 <i>\$ in millions</i>	2011 <i>\$ in millions</i>	Increase (Decrease) <i>\$ in millions</i>	Increase (Decrease) %
Assets	\$2,164.9	\$1,986.3	\$178.6	9%
Less: Liabilities				
Estimated Future Claims	2,125.5	2,160.8	(35.3)	(2%)
Other Liabilities	0.3	0.0	0.3	100%
Less: Reserves				
Reserve for Changes in the Market Value of Investments	<u>56.6</u>	<u>(160.4)</u>	<u>217.0</u>	n/a
Unfunded Liability	<u>(\$17.5)</u>	<u>(\$14.1)</u>	<u>(\$3.4)</u>	n/a
Additions				
Contributions	\$47.8	\$47.7	\$0.1	0%
Investment Income	<u>261.8</u>	<u>24.3</u>	<u>237.5</u>	977%
Total Additions	<u>309.6</u>	<u>72.0</u>	<u>237.6</u>	330%
Deductions				
Benefits and Distributions	95.4	77.3	18.1	23%
Administration	<u>0.6</u>	<u>0.3</u>	<u>0.3</u>	100%
Total Deductions	<u>96.0</u>	<u>77.6</u>	<u>18.4</u>	24%
Net Increase (Decrease)	<u>\$213.6</u>	<u>(\$5.6)</u>	<u>\$219.2</u>	n/a

PROGRAM DESCRIPTION

The ASLCC Program allows retirees of the State of Wisconsin, the University of Wisconsin (UW) System, the UW Hospital & Clinics Authority, and other state Authorities, at the time of their retirement, to convert the value of their unused sick leave accumulation into an account to be used to pay for post-retirement health insurance.

FINANCIAL HIGHLIGHTS

- At the end of 2012, the unfunded liability is attributable to the UW Hospital & Clinics Authority, the Wisconsin Health and Education Facility Authority, and Wiscraft. No liability exists for state agencies or the University of Wisconsin System.
- The 23% increase in the Benefits and Distributions expense is the actuarially-determined change in liabilities during the year.
- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to ASLCC. 2.3% or \$56.6 million of the deferred investment gains in the MRA are attributable to the ASLCC Program.



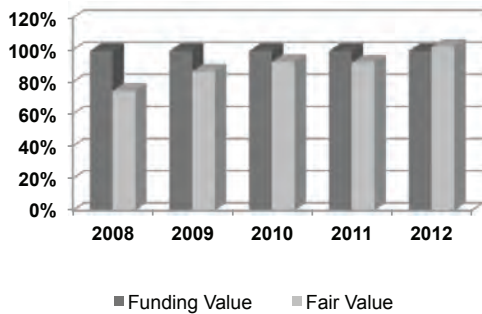
FUNDED STATUS

The funded status of the ASLCC Program is a measure of the extent to which the program has accumulated enough assets to pay the benefits earned by participants. The funded ratio is the ratio of plan assets to estimated future liabilities. The assets can be measured using the current fair value of assets or the smoothed funding value of assets. The fair value measurement gives a more timely measurement, but can be extremely volatile. The funding value measurement is less representative of current fair value, but better presents the funding trends without the year-to-year volatility.

The funding value-based funded ratio decreased from 99.3% funded to 99.2% funded.

The fair value-based funded ratio increased from 91.9% funded to 101.8% funded. The increase in the fair value funded ratio resulted from the investment income for the year.

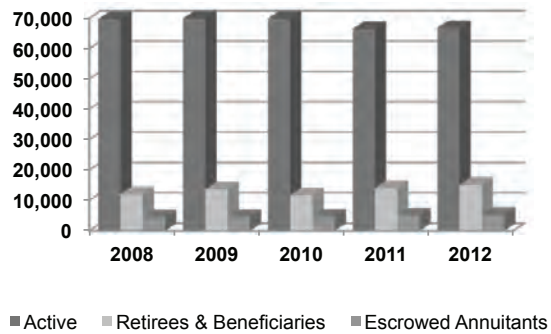
Accumulated Sick Leave Conversion Credits Funded Ratio



PARTICIPATION

There were 87,309 ASLCC participants as of December 31, 2012, an increase of 1.8% over the previous year. Participants include 66,846 active employees, an increase of 0.5% from the previous year; 15,144 retirees and others using ASLCC credits; and 5,319 “escrowed annuitants”— former employees who had not yet started using credits from their ASLCC accounts.

ASLCC Participants





STATE RETIREE LIFE INSURANCE PLAN

Summary Financial Statements				
	2012 <i>\$ in millions</i>	2011 <i>\$ in millions</i>	Increase (Decrease) <i>\$ in millions</i>	Increase (Decrease) %
Net Position Held in Trust	\$365.7	\$363.8	\$1.9	1%
Additions				
Contributions	\$5.0	\$5.4	(\$0.4)	(8%)
Investment Income	<u>15.6</u>	<u>16.9</u>	<u>(1.3)</u>	(8%)
Total Additions	<u>20.6</u>	<u>22.3</u>	<u>(1.7)</u>	(8%)
Deductions				
Benefits and Distributions	17.6	14.7	2.9	20%
Admin. & Other Expenses	<u>1.1</u>	<u>0.9</u>	<u>0.2</u>	22%
Total Deductions	<u>18.7</u>	<u>15.6</u>	<u>3.1</u>	20%
Net Increase (Decrease)	<u>\$1.9</u>	<u>\$6.7</u>	<u>(\$4.8)</u>	(72%)

PROGRAM DESCRIPTION

The State Retiree Life Insurance Plan provides fully paid up life insurance benefits for post-age 64 retired employees of the State of Wisconsin.

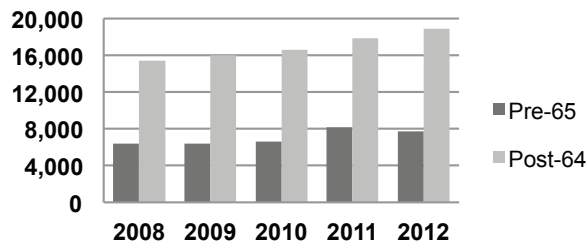
PARTICIPATION

7,699 pre-age 65 retirees and 18,921 age 65 and over retirees participated in the State Retiree Life Insurance Plan in 2012.

FUNDED STATUS

Actuarial valuations of the State Retiree Life Insurance Plan are conducted biennially. The most recent valuation was performed January 1, 2012. As of that date, plan assets represented 71.4% of plan actuarial liabilities.

State Retiree Participants





LOCAL GOVERNMENT RETIREE LIFE INSURANCE PLAN

Summary Financial Statements				
	2012 \$ in millions	2011 \$ in millions	Increase (Decrease) \$ in millions	Increase (Decrease) %
Net Position Held in Trust	\$235.7	\$231.7	\$4.0	2%
Additions				
Contributions	\$6.9	\$6.6	\$0.3	5%
Investment Income	<u>10.0</u>	<u>10.7</u>	<u>(0.7)</u>	(7%)
Total Additions	<u>16.9</u>	<u>17.3</u>	<u>(0.4)</u>	(2%)
Deductions				
Benefits and Distributions	11.6	12.3	(0.7)	(6%)
Admin. & Other Expenses	<u>1.3</u>	<u>1.3</u>	<u>0.0</u>	0%
Total Deductions	<u>12.9</u>	<u>13.6</u>	<u>(0.7)</u>	(5%)
Net Increase (Decrease)	<u>\$4.0</u>	<u>\$3.7</u>	<u>\$0.3</u>	8%

PROGRAM DESCRIPTION

The Local Government Retiree Life Insurance Plan provides fully paid up life insurance benefits for post-age 64 retired employees of participating local governments in Wisconsin.

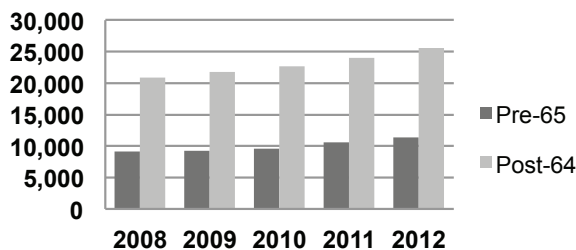
PARTICIPATION

11,372 pre-age 65 retirees and 25,573 age 65 and over retirees participated in the Local Government Retiree Life Insurance Plan in 2012.

FUNDED STATUS

Actuarial valuations of the Local Retiree Government Life Insurance Plan are conducted biennially. The most recent valuation was performed January 1, 2012. As of that date, plan assets represented 71.0% of plan liabilities.

Local Retiree Participants





ACTIVE MEMBER LIFE INSURANCE PLAN

Summary Financial Statements				
	2012 \$ in thousands	2011 \$ in thousands	Increase (Decrease) \$ in thousands	Increase (Decrease) %
Net Position Available for Benefits	\$243.5	\$235.8	\$7.7	3%
Revenues				
Administrative Reimbursement	\$587.2	\$607.0	(\$19.8)	(3%)
Investment Income	<u>2.1</u>	<u>1.6</u>	<u>0.5</u>	31%
Total Revenues	<u>589.3</u>	<u>608.6</u>	<u>(19.3)</u>	(3%)
Expenses				
Administrative Expense	<u>581.6</u>	<u>602.1</u>	(20.5)	(3%)
Total Expenses	<u>581.6</u>	<u>602.1</u>	<u>(20.5)</u>	(3%)
Net Increase (Decrease)	<u>\$7.7</u>	<u>\$6.5</u>	<u>\$1.2</u>	18%

PROGRAM DESCRIPTION

The Active Member Life Insurance Plan provides life insurance coverage for current employees of the State of Wisconsin and participating local governments in Wisconsin.

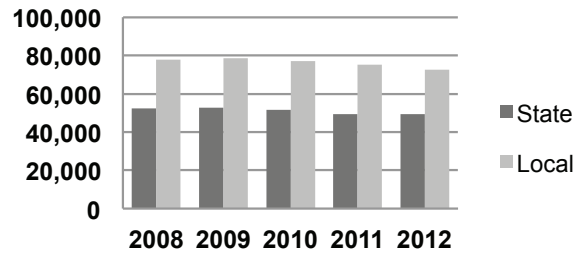
PARTICIPATION

49,074 active state employees and 72,491 active local government employees participated in the life insurance plan in 2012. Many of these employees participated in additional and supplemental coverage in addition to basic coverage.

FINANCIAL HIGHLIGHTS

- Active Member Life Insurance is reported as an "Insurance Purchasing Pool" under GASB Statement 10, which focuses on claims-servicing revenue and administrative costs. Amounts collected or due from pool participants and paid or to be paid to the carrier to settle claims are reported as an asset or liability.

Active Employee Participants





EMPLOYEE REIMBURSEMENT ACCOUNTS (ERA) PROGRAM

Summary Financial Statements				
	2012	2011	Increase	Increase
	<i>\$ in thousands</i>	<i>\$ in thousands</i>	<i>(Decrease)</i>	<i>(Decrease)</i>
			<i>\$ in thousands</i>	<i>%</i>
Assets	\$6,930.6	\$5,457.2	\$1,473.4	27%
Liabilities	<u>6,243.7</u>	<u>4,353.5</u>	<u>1,890.2</u>	43%
Net Position Held in Trust	<u>\$686.9</u>	<u>\$1,103.7</u>	<u>(\$416.8)</u>	(38%)
Additions				
Contributions	\$25,278.4	\$22,402.4	\$2,876.0	13%
Investment Income	7.3	5.6	1.7	30%
Other Additions	0.0	4.8	(4.8)	(100%)
Total Additions	<u>25,285.7</u>	<u>22,412.9</u>	<u>2,872.9</u>	13%
Deductions				
Benefits and Distributions	24,722.5	21,759.0	2,963.5	14%
Administrative Expenses	<u>980.0</u>	<u>792.8</u>	<u>187.2</u>	24%
Total Deductions	<u>25,702.5</u>	<u>22,551.8</u>	<u>3,150.7</u>	14%
Net Increase (Decrease)	<u>(\$416.8)</u>	<u>(\$139.0)</u>	<u>(\$277.8)</u>	n/a

PROGRAM DESCRIPTION

The ERA Program reimburses qualifying medical and dependent care expenses for employees of the State of Wisconsin who sign up for pre-tax payroll deductions.

FINANCIAL HIGHLIGHTS

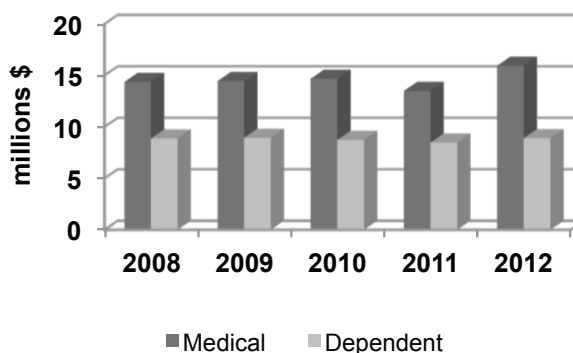
- The net decrease in the ERA Program this year of \$416.8 thousand resulted from lower-than-expected forfeitures.

PARTICIPATION

The ERA Program allows state employees to establish pre-tax reimbursement accounts for medical care expenses not covered by insurance and for dependent child or adult care expenses. At the end of 2012, the participants in the ERA Program had created 14,618 accounts, an increase of 13.7% from 12,856 in 2011. Employees created 2,245 dependent care

accounts and 12,373 medical expense accounts. Total salary reductions were \$24.8 million (\$8.9 million for dependent care and \$15.9 million for medical expenses), an increase of 13.1% from 2011. Reductions in FICA tax from this program saved the state an estimated \$1.9 million in 2012, with combined FICA and income tax savings of an estimated \$7.1 million realized by participants.

Salary Reductions





COMMUTER BENEFITS PROGRAM

Summary Financial Statements				
	2012	2011	Increase	Increase
	<i>\$ in thousands</i>	<i>\$ in thousands</i>	<i>(Decrease)</i>	<i>(Decrease)</i>
			<i>\$ in thousands</i>	<i>%</i>
Assets	\$438.0	\$227.8	\$210.2	92%
Liabilities	<u>404.9</u>	<u>218.2</u>	<u>186.7</u>	86%
Net Position Held in Trust	<u>\$33.1</u>	<u>\$9.6</u>	<u>\$23.5</u>	245%
Additions				
Contributions	\$1,445.8	\$1,467.5	\$21.7	(1%)
Investment Income	(0.3)	(0.1)	(0.2)	n/a
Total Additions	<u>1,445.5</u>	<u>1,467.4</u>	<u>(21.9)</u>	(1%)
Deductions				
Benefits and Distributions	1,266.7	1,306.0	(39.3)	(3%)
Admin. & Other Expenses	<u>155.4</u>	<u>132.3</u>	<u>23.1</u>	17%
Total Deductions	<u>1,422.1</u>	<u>1,438.3</u>	<u>(16.2)</u>	(1%)
Net Increase (Decrease)	<u>\$23.4</u>	<u>\$29.1</u>	<u>(\$5.7)</u>	(20%)

PROGRAM DESCRIPTION

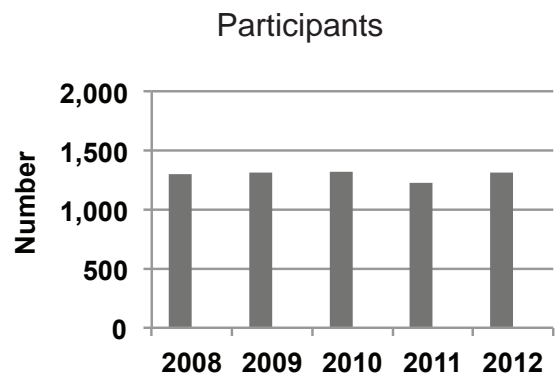
The Commuter Benefits Program reimburses qualifying transportation expenses for employees of the State of Wisconsin who sign up for pre-tax payroll deductions.

FINANCIAL HIGHLIGHTS

- The Commuter Benefits Program began in August 2002. Startup costs were funded through an advance from the state’s general fund. As of December 31, 2012, \$27,700 remained payable to the general fund.
- The net increase in the Commuter Benefits Program this year was \$23.4 thousand in contributions that exceeded this year’s benefits and administrative expenses.

PARTICIPATION

Participation in the Commuter Benefits Program changes from month to month. As of December 31, 2012, the program had 1,314 participants, an increase of 6.9% from 1,229 as of December 31, 2011.





MILWAUKEE RETIREMENT FUND

Summary Financial Statements				
	2012	2011	Increase (Decrease)	Increase (Decrease)
	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>%</i>
Assets				
Investment in Core Fund	\$149.0	\$133.2	\$15.8	12%
Investment in Variable Fund	<u>19.2</u>	<u>17.7</u>	<u>1.5</u>	8%
Net Position Held in Trust	<u>\$168.2</u>	<u>\$150.9</u>	<u>\$17.3</u>	11%
Additions				
Deposits	\$11.2	\$13.5	(\$2.3)	(17%)
Investment Income	<u>21.1</u>	<u>0.6</u>	<u>20.5</u>	3417%
Total Additions	<u>32.3</u>	<u>14.1</u>	<u>18.2</u>	129%
Deductions				
Benefits and Distributions	<u>15.0</u>	<u>12.5</u>	<u>2.5</u>	20%
Total Deductions	<u>15.0</u>	<u>12.5</u>	<u>2.5</u>	20%
Net Increase (Decrease)	<u>\$17.3</u>	<u>\$1.6</u>	<u>\$15.7</u>	981%

PROGRAM DESCRIPTION

The Milwaukee Retirement Fund allows other retirement systems to have their funds invested with the WRS to maximize investment returns.

FINANCIAL HIGHLIGHTS

- During 2012 and 2011, the Milwaukee Retirement Fund included only investments from the Milwaukee Public Schools Supplemental Retirement Program.



DUTY DISABILITY INSURANCE PROGRAM

Summary Financial Statements				
	2012	2011	Increase (Decrease)	Increase (Decrease)
	\$ in millions	\$ in millions	\$ in millions	%
Assets	\$511.7	\$430.5	\$81.2	19%
Liabilities	2.5	2.5	0.0	0%
Less: Reserves				
Reserve for Changes in the Market Value of Investments	<u>15.1</u>	<u>(33.6)</u>	<u>48.7</u>	n/a
Net Position Held in Trust	<u>\$494.1</u>	<u>\$461.6</u>	<u>\$32.5</u>	7%
Additions				
Contributions	\$53.0	\$53.0	\$0.0	0%
Investment Income	<u>58.8</u>	<u>5.0</u>	<u>53.8</u>	1,076%
Total Additions	<u>111.8</u>	<u>58.0</u>	<u>53.8</u>	93%
Deductions				
Benefits and Distributions	30.2	29.5	0.7	2%
Administration	<u>0.4</u>	<u>0.6</u>	<u>(0.2)</u>	(33%)
Total Deductions	<u>30.6</u>	<u>30.1</u>	<u>0.5</u>	2%
Net Increase (Decrease)	<u>\$81.2</u>	<u>\$27.9</u>	<u>\$53.3</u>	191%

PROGRAM DESCRIPTION

The Duty Disability Program pays special disability benefits to protective occupation participants in the WRS.

FINANCIAL HIGHLIGHTS

- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to Duty Disability. 0.6% or \$15.1 million of the deferred investment gains in the MRA are attributable to the Duty Disability Insurance Program.

FUNDED STATUS

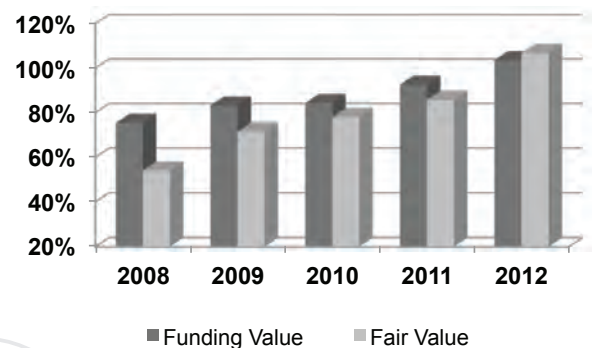
The funded status of the Duty Disability Insurance Program is a measure of the extent to which the system has accumulated enough assets to pay the benefits earned by participants. The funded ratio is the ratio of plan assets to estimated future liabilities. The assets can be measured using either the current fair value of assets or the smoothed funding value of assets. The fair value measurement gives a more timely measurement but can be extremely volatile, while the funding value measurement is less representative of current fair value but better presents the funding trends without the year-to-year volatility.

The funding and fair value based ratios were calculated using the actuarial accrued liability total from the Other Post-Employment Benefits (OPEB) Actuarial Valuation as of January 1, 2012.

The funding value-based funded ratio increased from 92.5% funded to 103.6% funded. Since 2008 the funded ratio has improved from 75.4% to 103.6% funded. The steady increase in the funding value funded ratio shows the success of the long-term strategy to fully fund the program.

The fair value-based funded ratio increased from 85.8% funded to 106.8% funded. The increase in the fair value funded ratio resulted from the investment income for the year.

Duty-Disability Insurance Funded Ratio





INCOME CONTINUATION INSURANCE (ICI) PROGRAM

Summary Financial Statements				
	2012	2011	Increase	Increase
	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>%</i>
Assets	\$94.2	\$89.9	\$4.3	5%
Less: Liabilities				
Estimated Future Claims	82.2	88.1	(5.9)	(7%)
Other Liabilities	0.1	0.6	(0.5)	(80%)
Less: Reserves				
Reserve for Changes in the Market Value of Investments	<u>11.9</u>	<u>3.4</u>	<u>8.5</u>	250%
Net Position Available for Benefits	<u>\$0.0</u>	<u>(\$2.2)</u>	<u>(\$2.2)</u>	n/a
Revenues				
Contributions	\$14.7	\$15.6	(\$0.9)	(6%)
Investment Income	<u>10.3</u>	<u>1.0</u>	<u>9.3</u>	930%
Total Revenues	<u>25.0</u>	<u>16.6</u>	<u>8.4</u>	51%
Expenses				
Benefits and Distributions	12.4	32.3	(19.9)	(62%)
Admin. & Other Expenses	<u>1.9</u>	<u>2.3</u>	<u>(0.4)</u>	(17%)
Total Expenses	<u>14.3</u>	<u>34.6</u>	<u>(20.3)</u>	(59%)
Net Income (Loss)	<u>\$10.7</u>	<u>(\$18.0)</u>	<u>\$28.7</u>	n/a

PROGRAM DESCRIPTION

The ICI Program pays disability benefits for employees of the State of Wisconsin and participating local governments in Wisconsin that enroll in the program. Employee premiums are based on sick leave accumulation and the waiting period selected.

FINANCIAL HIGHLIGHTS

- The Benefit and Distributions expense is the actuarially-determined change in liabilities during the year. During 2012 liabilities grew more slowly than in the previous year, due to favorable claims experience.
- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to ICI. 0.5% or \$11.9 million of the deferred investment gains in the MRA are attributable to the ICI program.

FUNDED STATUS

The funded status of the ICI Program is a measure of the extent to which the system has accumulated enough assets to pay the benefits earned by participants. The funded ratio is the ratio of plan assets to estimated future liabilities. The assets can be measured using either the current fair value of assets or the smoothed funding value of assets. The fair value measurement gives a more timely measurement, but can be extremely volatile. The funding value measurement is less representative of current fair value, but better presents the funding trends without the year-to-year volatility.

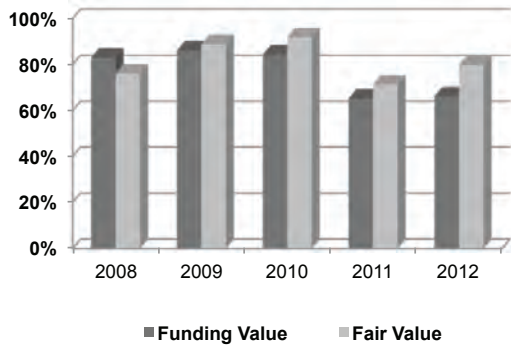


State Plan

The funding value-based funded ratio increased slightly from 65% funded to 66% funded. This increase is the result of investment income in 2012. The target for this program is to maintain a funded ratio of 115% to 125% of liabilities as a hedge against adverse claims performance. Annual premium increases are anticipated for the next six years to reach the target funding level.

The fair value-based funded ratio increased from 71% funded to 80% funded. This increase is the result of investment income in 2012.

State Income Continuation Insurance Funded Ratio

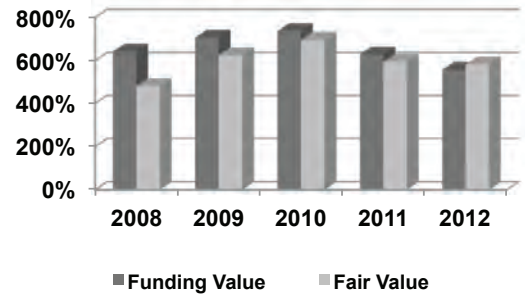


Local Plan

The funding value-based funded ratio decreased from 628% funded to 556% funded. This decrease is the result of an intentional drawdown of reserves. Starting in March 2012 local governments are on a premium holiday. The target for this program is to maintain a funded ratio of 100% to 200% of liabilities as a hedge against adverse claims performance. Because of the small size of this plan, significant year-to-year volatility in claims experience is expected.

The fair value-based funded ratio decreased from 593% funded to 582% funded. This decrease is the result of an intentional drawdown of reserves. Starting in March 2012 local governments are on a premium holiday.

Local Income Continuation Insurance Funded Ratio





LONG-TERM DISABILITY INSURANCE (LTDI) PROGRAM

Summary Financial Statements				
	2012	2011	Increase	Increase
	<i>\$ in millions</i>	<i>\$ in millions</i>	(Decrease)	(Decrease)
			<i>\$ in millions</i>	%
Assets	\$210.8	\$215.9	(\$5.1)	(2%)
Less: Liabilities				
Estimated Future Claims	213.1	189.0	24.1	13%
Other Liabilities	5.0	4.3	0.7	16%
Less: Reserves				
Reserve for Changes in the Market Value of Investments	(21.8)	(46.6)	24.8	n/a
Net Position Available for Benefits	<u>\$14.5</u>	<u>\$69.2</u>	<u>(\$54.7)</u>	(79%)
Revenues				
Investment Income	\$29.9	\$3.0	\$26.9	884%
Total Revenues	<u>29.9</u>	<u>3.0</u>	<u>26.9</u>	884%
Expenses				
Benefits and Distributions	57.4	42.5	14.9	35%
Admin. & Other Expenses	2.4	2.1	0.3	14%
Total Expenses	<u>59.8</u>	<u>44.6</u>	<u>15.2</u>	34%
Net Income (Loss)	<u>(\$29.9)</u>	<u>(\$41.6)</u>	<u>\$11.7</u>	n/a

PROGRAM DESCRIPTION

The LTDI Program pays disability benefits to participants in the WRS.

FINANCIAL HIGHLIGHTS

- No contributions were collected for this program during 2012, due to sufficient reserves available in the fund.
- The Benefit and Distributions expense is the actuarially-determined increase in liabilities during the year. During 2012 liabilities grew more quickly than in the previous year, due to unfavorable claims experience.
- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to LTDI. 0.9% or \$21.8 million of the deferred investment losses in the MRA are attributable to the LTDI program.

FUNDED STATUS

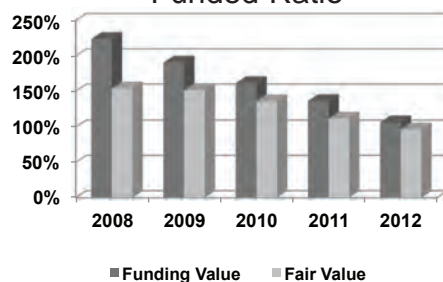
The funded status of the LTDI Program is a measure of the extent to which the system has accumulated enough assets to pay the benefits earned by participants. The funded ratio is the ratio of plan assets to estimated future liabilities. The assets can be measured using the current fair value of assets or the smoothed funding

value of assets. The fair value measurement gives a more timely measurement, but can be extremely volatile. The funding value measurement is less representative of current fair value, but better presents the funding trends without the year-to-year volatility.

The funding value-based funded ratio decreased from 136% funded to 107% funded. The decrease in the actuarial value funded ratio was due to the contribution holiday during 2012. Despite the decline, the funded ratio still exceeds the target funding range, which is 15 - 25% of estimated liabilities. Therefore, the contribution holiday will continue for another year.

The fair value-based funded ratio declined from 112% funded to 97% funded. The decrease in the fair value funded ratio was the result of the contribution holiday during 2012.

Long Term Disability Insurance Funded Ratio





GROUP HEALTH INSURANCE PROGRAM

The Group Health Insurance Program is a comprehensive benefit plan providing coverage for active and retired employees of both state and local governments. It is made up of the State Health Plan, including current and retired employees of the State, and the Wisconsin Public Employers Health Plan (Local Health Plan), which includes current and retired employees of participating local governments. The State and Local Health Plans each include separately managed risk pools for medical and pharmacy benefits. For financial reporting, the program is divided into three funds: Active Member Group Health Insurance (state and local governments combined), State Retiree Health Insurance, and Local Retiree Health Insurance.

Active Member Group Health Insurance

Summary Financial Statements				
	2012	2011	Increase	Increase
	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>%</i>
Assets	\$311.7	\$290.0	\$21.7	7%
Less: Liabilities				
Unearned Revenue	106.9	103.4	3.5	3%
Estimated Future Claims	6.3	6.6	(0.3)	(5%)
Other Liabilities	5.0	3.2	1.8	56%
Less: Reserves				
Reserve for Changes in the Market Value of Investments	(1.7)	(22.5)	20.8	n/a
Net Position Available for Benefits	<u>\$195.2</u>	<u>\$199.3</u>	<u>(\$4.1)</u>	(2%)
Revenues				
Premiums	\$1,224.0	\$1,306.5	(\$82.5)	(6%)
ERRP Subsidy	0.0	13.2	(13.2)	(100%)
Investment Income	25.1	2.1	23.0	1,095%
Total Revenues	<u>1,249.1</u>	<u>1,321.8</u>	<u>(72.7)</u>	(6%)
Expenses				
Benefits and Distributions	1,218.6	1,274.4	(55.8)	(4%)
Administration	13.8	12.6	1.2	10%
Total Expenses	<u>1,232.4</u>	<u>1,287.0</u>	<u>(54.6)</u>	(4%)
Net Income (Loss)	<u>\$16.7</u>	<u>\$34.8</u>	<u>(\$18.1)</u>	(52%)

PROGRAM DESCRIPTION

Active Member Group Health Insurance pays for the purchase of health insurance coverage and health insurance claims for current employees of the State of Wisconsin and participating local government employers.

FINANCIAL HIGHLIGHTS

- These statements include activity related to health insurance coverage for the current employees of the state and participating local government employers. Statements for the state and local government retiree health plans follow.

- The assets increased by \$21.7 million, or 7%, from \$290.0 million in 2011 to \$311.7 million in 2012, due to investment income.

- The Early Retiree Reinsurance Program (ERRP) subsidy received in 2011 was split between the Active Member Group Health Insurance Program and the State and Local Retiree Health Insurance Programs. ERRP provides reimbursement to employer and union sponsors of participating employment-based plans for a portion of the cost of health benefits for early retirees and their spouses, beneficiaries and dependents. The purpose of the reimbursement is to help make it more affordable for plan participants and sponsors to offer health benefits to their employees.



- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to Active Member Group Health Insurance. 0.1% or \$1.7 million of the deferred investment losses in the MRA are attributable to Active Member Group Health Insurance.

State Retiree Health Insurance

Summary Financial Statements				
	2012	2011	Increase	Increase
	<i>\$ in millions</i>	<i>\$ in millions</i>	<i>(Decrease)</i>	<i>(Decrease)</i>
			<i>\$ in millions</i>	<i>%</i>
Assets	\$16.2	\$19.2	(\$3.0)	(16%)
Less: Liabilities				
Estimated Future Claims	4.9	5.2	(0.3)	(6%)
Unearned Revenue	15.5	15.0	0.5	3%
Other Liabilities	19.4	2.0	17.4	870%
Due To Employers	(23.2)	(3.4)	(19.8)	n/a
Less: Reserves				
Reserve for Changes in the Market Value of Investments	(0.4)	0.4	(0.8)	(200%)
Net Position	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	0%

PROGRAM DESCRIPTION

The State Retiree Health Insurance Plan pays for the purchase of health insurance coverage and health insurance claims for retired employees of the State of Wisconsin.

FINANCIAL HIGHLIGHTS

- Beginning in 2006, the state retiree health insurance plan is reported as Other Post-Employment Benefits (OPEB) in an agency fund. Financial reporting for an agency fund is limited to reporting on the stewardship of assets, and does not include an operating statement.
- Effective January 1, 2012, prescription drug coverage for Medicare eligible retirees enrolled in the Group Health Insurance Program is provided by a self-

funded Medicare Part D Employer Group Waiver Plan (EGWP). A Medicare “wrap” product is also included to provide full coverage to members, as required by Uniform Benefits, when they reach the Medicare coverage gap, also known as the “donut hole”.

- Other liabilities increased from \$2.0 million in 2011 to \$19.4 million in 2012, due to the program needing a cash loan from another program to zero out the negative cash balances at the end of the year.
- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to the State Retiree Health Insurance plan. Less than 0.1% or \$0.4 million of the deferred investment losses in the MRA are attributable to the State Retiree Health Insurance Plan.



Local Retiree Health Insurance

Summary Financial Statements

	2012 <i>\$ in millions</i>	2011 <i>\$ in millions</i>	Increase (Decrease) <i>\$ in millions</i>	Increase (Decrease) <i>%</i>
Assets	\$1.6	\$0.3	\$1.3	433%
Less: Liabilities				
Estimated Future Claims	0.5	0.2	0.3	150%
Unearned Revenue	1.8	1.6	0.2	13%
Other Liabilities	9.6	4.8	4.8	100%
Due to Employers	(9.2)	(6.0)	(3.2)	n/a
Less: Reserves				
Reserve for Changes in the Market Value of Investments	(1.1)	(0.3)	(0.8)	n/a
Net Position	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	0%

PROGRAM DESCRIPTION

The Local Retiree Health Insurance Plan pays for the purchase of health insurance coverage and health insurance claims for retired employees of participating local government employers in Wisconsin.

FINANCIAL HIGHLIGHTS

- Beginning in 2006, the local government retiree health insurance plan is reported as Other Post-Employment Benefits (OPEB) in an agency fund. Financial reporting for an agency fund is limited to reporting on the stewardship of assets, and does not include an operating statement.
- Effective January 1, 2012, prescription drug coverage for Medicare eligible retirees enrolled in the Group Health Insurance Program is provided by a self-funded Medicare Part D Employer Group Waiver Plan (EGWP). A Medicare “wrap” product is also included to provide full coverage to members, as required by Uniform Benefits, when they reach the Medicare coverage gap, also known as the “donut hole”.
- Assets increased from 0.3 million in 2011 to 1.6 million in 2012, due to increased rebates receivable and a Federal Subsidy Receivable from the EGWP program.
- Other liabilities increased from \$4.8 million in 2011 to \$9.6 million in 2012, due to the program needing a cash loan from another program to zero out the negative cash balances at the end of the year.

- The Reserve for Changes in the Market Value of Investments is the portion of the deferred investment gains and losses in the Market Recognition Account (MRA) attributable to the Local Retiree Health Insurance Plan. Less than 0.1% or \$1.1 million of the deferred investment gains in the MRA are attributable to the Local Retiree Health Insurance Plan.

FUNDED STATUS: GROUP HEALTH INSURANCE PROGRAM

The funded status of the Group Health Insurance Program is a measure of the extent to which the system has accumulated enough assets to pay the benefits earned by participants, meet the liquidity needs of the plan, and smooth year-to-year volatility in claims. Funded status is measured as the ratio of reserves to annual expenses (claims plus administration). The assets can be measured using either the current fair value of assets or the smoothed funding value of assets. The fair market value measurement gives a more timely measurement, but can be extremely volatile. The smoothed funding value measurement is less representative of current fair value, but better presents the funding trends without the year-to-year volatility.

Both plans in the Group Health Insurance Program, the State Health Plan and Local Health Plan, include fully-insured Health Maintenance Organization Plans, a self-insured fee-for-service “Standard Plan,” and a self-insured Pharmacy Benefit Plan. The funding status of each of the self-insured options is broken down by plan and described on the next page.

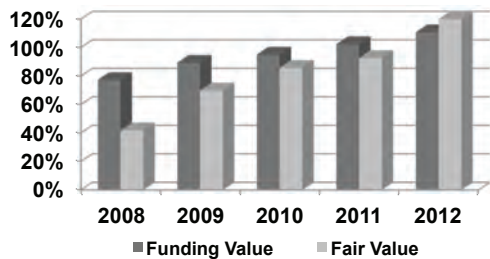


State Standard Plan

The funding value ratio of reserves to annual expenses increased from 102.4% to 117.3%. This increase is the result of the loss ratio being lower in 2012 than it was in 2011 and the investment gains in 2012.

The fair value ratio of reserves to annual expenses increased from 92.7% to 122.6%. This increase is the result of the loss ratio being lower in 2012 than it was in 2011 and the investment gains in 2012.

State Standard Health Plan
Funded Ratio

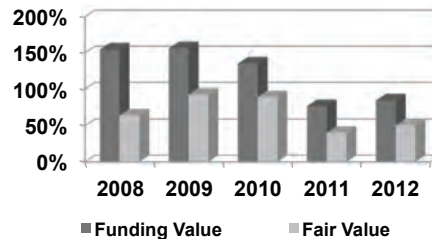


Local Standard Plan

The funding value ratio of reserves to annual expenses increased from 76.9% to 85.0%. This increase is the result of the loss ratio being lower in 2012 than it was in 2011 and the investment gains in 2012.

The fair value ratio of reserves to annual expenses decreased from 40.2% to 50.6%. This increase is the result of the loss ratio being lower in 2012 than it was in 2011 and the investment gains in 2012.

Local Standard Health Plan
Funded Ratio

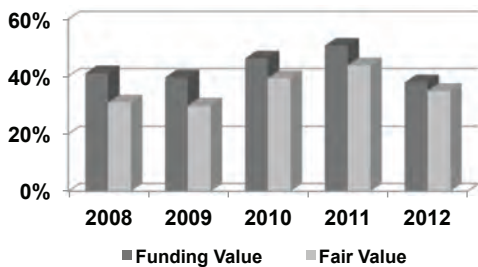


State Pharmacy Benefit Plan

The funding value ratio of reserves to annual expenses decreased from 50.7% to 37.8%. This decrease is the result of the loss ratio being higher in 2012 than it was in 2011.

The fair value ratio of reserves to annual expenses decreased from 43.9% to 34.9%. This decrease is the result of the loss ratio being higher in 2012 than it was in 2011.

State Pharmacy Benefit Reserve
Funded Ratio



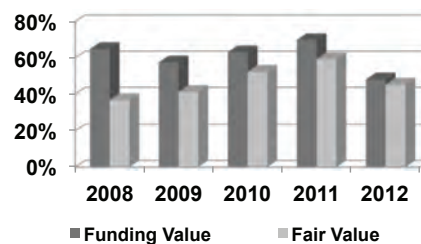
Local Pharmacy Benefit Plan

The funding value ratio of reserves to annual expenses decreased from 69.8 to 48.1%. This decrease is the result of the loss ratio being higher in 2012 than it was in 2011.

The fair value ratio of reserves to annual expenses decreased from 59.3% to 45.2%. This decrease is the result of the loss ratio being higher in 2012 than it was in 2011.

This plan experiences significant year-to-year volatility due to a small participant base. Larger reserve balances are required to assure the solvency of the plan.

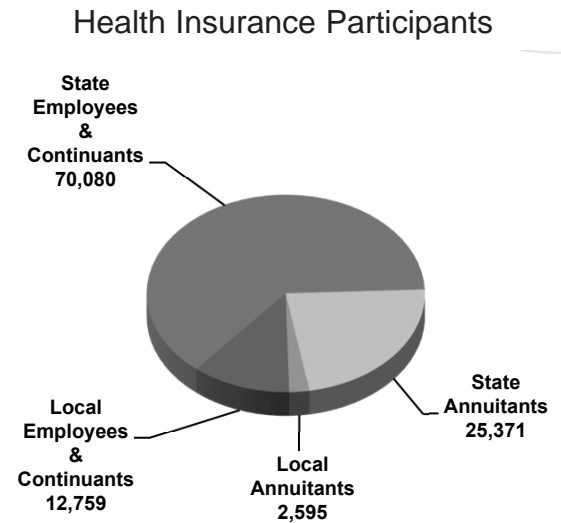
Local Pharmacy Benefit Reserve
Funded Ratio



PARTICIPATION

The State Health Plan covered 69,650 active employees, 430 continuants (former employees or their beneficiaries who have the right to continue health insurance coverage under federal COBRA requirements), and 25,371 retired State of Wisconsin employees at the end of 2012—about 207,000 persons when all covered dependents are included. The total amount of annual health insurance premiums for all participants was \$1,229 million.

The Wisconsin Public Employers Health Insurance Plan (Local Health Plan) covered 12,679 active employees; 80 continuants and 2,595 retired participants. With their dependents, the total number of people covered was approximately 39,000. Annual premiums paid totaled \$213 million.





ETF BOARDS AND DEPARTMENT ORGANIZATION

The individuals who serve on the boards that provide oversight for the Department of Employee Trust Funds (ETF) play important roles. Board decisions affect hundreds of thousands of individuals who participate in the retirement programs funded by the trust funds as well as other fringe benefit programs ETF operates for Wisconsin.

This section explains how board membership is determined and how membership overlaps. Under state law, members of the boards are chosen in a variety of ways. Some members are ex-officio, some are direct appointees of the governor, others are appointed to fixed terms from lists submitted to the governor by specified organizations, and still others are directly elected by active participants or retirees.

The members and officers of each board are listed below, along with a short explanation of board responsibilities. Membership on all of the boards as of May 1, 2012 is as follows:

EMPLOYEE TRUST FUNDS BOARD (13 MEMBERS)

This board sets policy for ETF; appoints the ETF Secretary; approves tables used for computing benefits, contribution rates and actuarial assumptions; authorizes all annuities except for disability; approves or rejects ETF administrative rules; and generally oversees administration of the benefit programs, except group insurance and deferred compensation. State law sets ETF Board membership criteria, with some members appointed by the Teachers Retirement Board (TR Board) and the Wisconsin Retirement Board (WR Board). The ETF Board has established three committees to assist the Board in fulfilling its fiduciary and oversight responsibilities: an Executive Committee, an Audit Committee and a Budget and Operations Committee. The Executive Committee oversees the effective operation of Board and other Committee meetings and reviews personnel matters relating to the Department and the Secretary. The Audit Committee reviews the adequacy and effectiveness of the Department's system of internal controls, including those relating to information technology systems, and the Department's accounting and financial reporting

systems. The Budget and Operations Committee reviews the biennial budget process and the Department's operating budget, as well as the Department's strategic business and information technology planning activities.

BOARD MEMBERS

Chair: Wayne E. Koessl

Appointed by the WR Board. WR Board member appointed under § 15.16 (3)(b) 1,2,4,5 or 8 (chief executive, finance officer or member of a governing body of a participating city or village, county clerk, deputy county clerk, chairperson, or member of the governing body of a participating county or town, or public member who is not a participant).

Vice Chair: John David

Appointed by Wisconsin Retirement Board. Any WR Board member appointed under § 15.161(1)(b).

Secretary: Robert M. Niendorf

Appointed by the TR Board. TR Board member appointed under § 15.16 (3)(a)4 (UW teacher participant).

William Ford

Elected by WRS annuitants. WRS annuitant as defined for purposes other than life insurance under § 40.02 (4). § 15.16 (1)(d)

Kimberly Hall

Elected by educational support personnel. WRS participant who is either a public school district educational support employee or a technical college district educational support employee. § 15.16 (1)(f)

Michael Langyel

Appointed by the TR Board. TR Board member elected under § 15.165 (3)(a)7 (City of Milwaukee teacher participant). § 15.165 (1)(a)3

Jon Litscher

Governor or the Governor's designee on the Group Insurance Board. § 15.16 (1) (intro.)

Daniel Nerad

Appointed by the TR Board. TR Board member appointed under § 15.16 (3)(a)3 or 5 (public school administrator or school board member). § 15.16 (3)(a)5

**Jessica O'Donnell**

Director of the Office of State Employment Relations or the Director's designee. § 15.16 (1) (intro.)

Mary Von Ruden

Appointed by the WR Board. WR Board member appointed under §15.16 (3)(b)3,6, or 7 (participating employee of a city or village, participating employee of a local employer other than a city or village or participating state employee). § 15.16 (1)(b)2

David Wiltgen

Appointed by TR Board. TR Board member appointed or elected under § 15.165 (3)(a) 1 or 2 (public or vocational school teacher).

Vacant

Appointed by Wisconsin Retirement Board. Wisconsin Retirement Board member appointed under § 15.165 (3)(b) 7 or 8 (participating state employee or public member who is not a participant). § 15.16 (1)(b) 3

Vacant

Appointed by Governor, with Senate confirmation. Public member who is not a participant in or beneficiary of the WRS, with at least five years of experience in actuarial analysis, administration of an employee benefit plan, or significant administrative responsibility in a major insurer. § 15.16 (1)(c)

WISCONSIN RETIREMENT BOARD (9 MEMBERS)

The WR Board advises the ETF Board on matters relating to retirement; approves or rejects administrative rules; authorizes or terminates disability benefits for non-teachers; and hears appeals of disability rulings. This board appoints four members to the ETF Board and one non-teaching participant to the State of Wisconsin Investment Board.

BOARD MEMBERS

Chair: Wayne E. Koessl

Appointed by the Governor from a list of five names submitted by the executive committee of the Wisconsin Counties Association. Chairperson or member of the governing body of a participating

county or town, and from a different county than subs. 5 & 6. § 15.165 (3)(b)4

Vice Chair: John David

Appointed by the Governor from a list of five names submitted by the Board of Directors of the League of Wisconsin Municipalities. Chief executive or member of the governing body of a participating city or village and from a different county than subs. 2 & 3. § 15.165 (3)(b)1

Secretary: Mary Von Ruden

Appointed by the Governor. Participating employee from a participating local employer other than a city or village and from a different county than subs. 4 & 5. § 15.165 (3)(b)6

Jamie Aulik

Appointed by the Governor. County clerk or deputy county clerk from a participating county different than subs. 4 & 6. § 15.165 (3)(b)5

Ted Nickel

Ex officio; Commissioner of Insurance or an experienced actuary in the Office of the Commissioner designated by the Commissioner. § 15.165 (3)(b)9

Herbert Stinski

Appointed by the Governor. Participating employee and principal finance officer of a participating city or village and from a different county than subs. 1 & 3. § 15.165 (3)(b)2

Steven Wilding

Appointed by the Governor. Participating employee of a participating city or village and from a different county than subs. 1 & 2. § 15.165 (3)(b)3

Vacant

Appointed by the Governor. Public member who is not a participant or beneficiary of the WRS. § 15.165 (3)(b)8

Vacant

Appointed by the Governor. Participating state employee. § 15.165 (3)(b)7



**TEACHERS RETIREMENT BOARD
(13 MEMBERS)**

The TR Board advises the ETF Board on retirement and other benefit matters involving public school, technical college, state and university teachers; acts on administrative rules and authorizes or terminates teacher disability benefits and hears disability benefit appeals. Nine of the 13 members are elected. This board appoints four members to the ETF Board and one teacher participant to the State of Wisconsin Investment Board.

BOARD MEMBERS

Chair: Lon Mishler

Elected by annuitants who were teacher participants. Annuitant who was a teacher participant in the WRS. § 15.165 (3)(a)6

Vice Chair: Michael Langyel

Elected by Milwaukee Public School teachers who are participants. City of Milwaukee teacher who is a participant in the WRS. § 15.165 (3)(a)7

Secretary: Robin Starck

Elected by public school teachers. Public school teacher. § 15.165 (3)(a)1

Sandra Claflin-Chalton

Appointed by the Governor. UW teacher participant in the WRS (not from same campus as other UW teacher representative). § 15.165 (3)(a)4

Susan Harrison

Appointed by the Governor. UW teacher participant in the WRS (not from same campus as other UW teacher representative). § 15.165 (3)(a)4

Jon Joslin

Elected by public school teachers. Public school teacher. § 15.165 (3)(a)1

Betsy Kippers

Elected by public school teachers. Public school teacher. § 15.165 (3)(a)1

Mary Jo Meier

Elected by public school teachers. Public school teacher. § 15.165 (3)(a)1

Daniel Nerad

Appointed by the Governor. Public school administrator who is not a classroom teacher. § 15.165 (3)(a)3

R. Thomas Pedersen

Elected by participating Wisconsin Technical College teachers. Public school teacher from a participating Wisconsin Technical College district and a participating employee in the WRS. § 15.165 (3)(a)2

Patrick Phair

Elected by public school teachers. Public school teacher. § 15.165 (3)(a)1

Roberta Rasmus

Appointed by the Governor. Member of a school board. § 15.165 (3)(a)5

David Wiltgen

Elected by public school teachers. Public school teacher. § 15.165 (3)(a)1

**GROUP INSURANCE BOARD
(11 MEMBERS)**

This board sets policy for the group health, life, and income continuation insurance plans for state employees and the group health, life, and income continuation insurance plans for local employers who choose to offer them. The board also can provide other insurance plans, if employees pay the entire premium.

BOARD MEMBERS

Chair: Esther Olson

Appointed by the Governor. Insured participant in the WRS who is a teacher. § 15.165 (2)

Vice Chair: Jon Litscher

Ex officio; Governor or Governor's designee. § 15.165 (2)(intro)



Secretary: Jessica O’Donnell

Ex officio; Director of the Office of State Employment Relations or Director’s designee. § 15.165 (2)

Bonnie Cyganek

Ex officio; Attorney General or his/her designee. § 15.165 (2)

Michael Farrell

Appointed by the Governor. No membership requirement. § 15.165 (2)

Charles Grapentine

Appointed by the Governor. Insured participant in the WRS who is a retired employee. § 15.165 (2)

Brian Hayes

Ex officio; Secretary of Department of Administration or Secretary’s designee. § 15.165 (2)

Jane Nikolai

Appointed by the Governor. Insured participant in the WRS who is not a teacher. § 15.165 (2)

Daniel Schwartz

Ex officio; Commissioner of Insurance or his/her designee. § 15.165 (2)

Nancy Thompson

Appointed by the Governor. Chief executive or member of the governing body of a local unit of government that is a participating employer. § 15.165 (2)

Brian Yerges

Appointed by the Governor. Insured participant in the WRS who is an employee of a local unit of government. § 15.165 (2)

DEFERRED COMPENSATION BOARD (5 MEMBERS)

This board sets policy, contracts with investment and administrative service providers, and oversees administration of the Deferred Compensation Program. The board is responsible for establishing criteria and procedures for selecting and evaluating investment options offered by the Program. The governor, with senate confirmation, appoints all board members; there are no statutory requirements for appointments.

BOARD MEMBERS

Chair: Edward D. Main

Appointed by the Governor, with Senate confirmation. §15.165 (4)

Vice Chair: John F. Nelson

Appointed by the Governor, with Senate confirmation. § 15.165 (4)

Secretary: Gail Hanson

Appointed by the Governor, with Senate confirmation. § 15.165 (4)

Vacant

Appointed by the Governor, with Senate confirmation. § 15.165 (4)

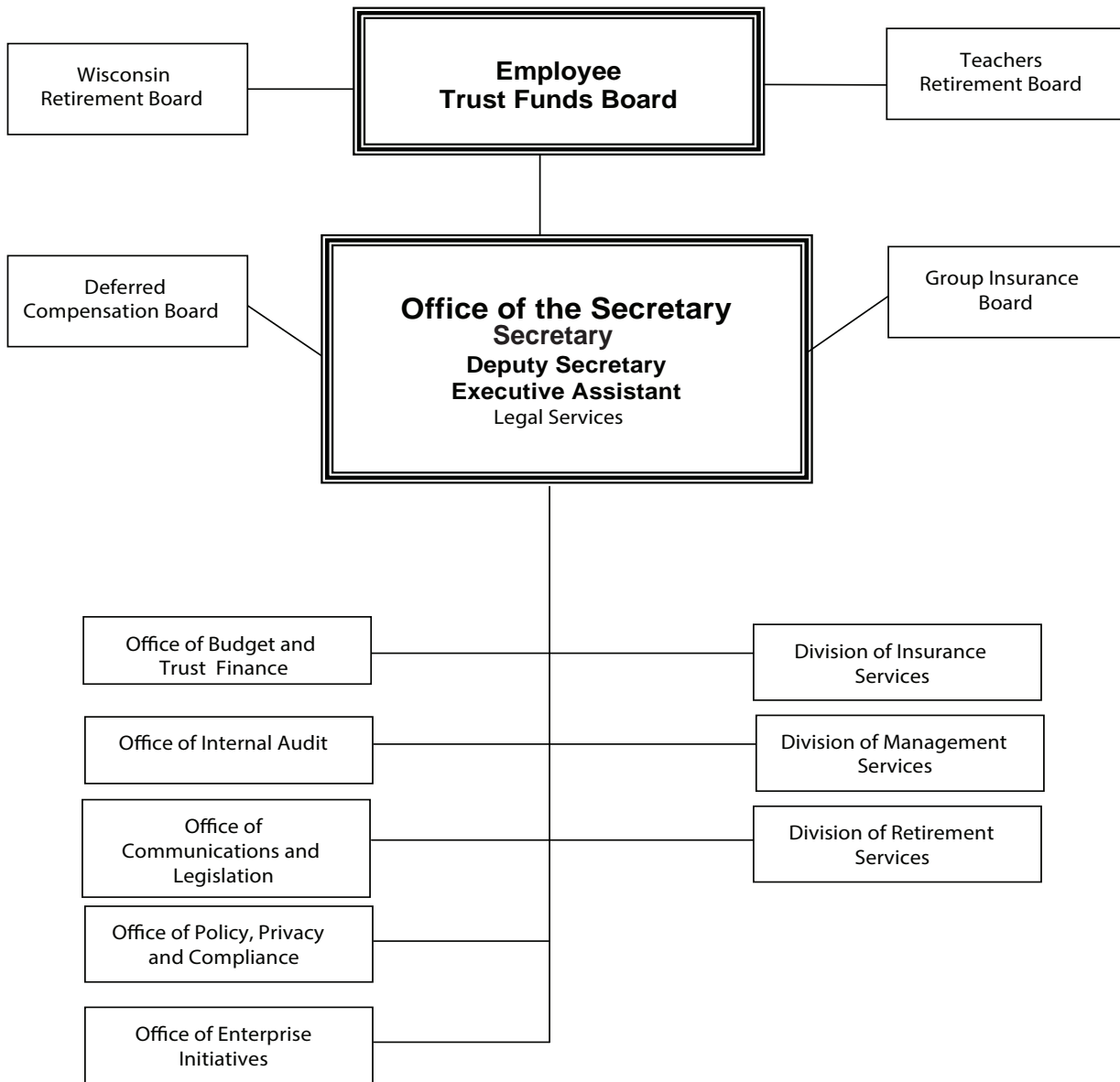
Vacant

Appointed by the Governor, with Senate confirmation. § 15.165 (4)



DEPARTMENT ORGANIZATION

The Department of Employee Trust Funds had 260.2 permanent positions at the end of 2012.
The Department's organization chart is shown below:





2012 ETF MANAGEMENT STAFF

Secretary: Robert J. Conlin
Deputy Secretary: Robert Marchant
Chief Legal Counsel: David Nispel

Division of Retirement Services
Administrator: Matt Stohr

Division of Insurance Services
Administrator: Lisa Ellinger

Division of Management Services
Administrator: Pam Henning

Office of Budget and Trust Finance
Director: Vacant

Office of Internal Audit
Director: John Vincent

Office of Communications and Legislation
Director: Mark Lamkins

Office of Policy, Privacy & Compliance
Director: Steve Hurley

Office of Enterprise Initiatives
Director: Bob Martin

PRINCIPAL CONSULTANTS AND ADMINISTRATORS

Consulting Actuaries

Gabriel Roeder Smith & Company
Southfield, Michigan

Deloitte Consulting
Minneapolis, Minnesota

Auditors

Legislative Audit Bureau
Madison, Wisconsin

THIRD PARTY ADMINISTRATORS

Health Insurance

WPS Health Insurance
Madison, Wisconsin

Pharmacy Benefits Manager

Navitus Health Solutions
Appleton, Wisconsin

Income Continuation Insurance and Long-Term Disability Insurance

Aetna Life Insurance Company
Aetna Disability and Leave Management
Lexington, Kentucky

Deferred Compensation

Great-West Retirement Services
Greenwood Village, Colorado

Employee Reimbursement Accounts and Commuter Benefits

WageWorks
Tallahassee, Florida

Life Insurance

Minnesota Life Insurance Company
St. Paul, Minnesota



LEGISLATION, VISION STATEMENT AND ANNUAL ACCOMPLISHMENTS

LEGISLATION

There were no bills that became law in 2012 that affected the Wisconsin Retirement System (WRS) or other employee benefit programs administered by the Department of Employee Trust Funds (ETF).

ETF VISION STATEMENT

The Department's strategic plan provides the framework for achieving ETF's vision to become a leader among large public employee benefit systems by offering best practice customer services to members and employers.

To achieve this goal:

- ETF will offer self-service tools to WRS members and employers. These tools will empower members to become better educated about their benefits, provide secure online access to their accounts, and allow them to securely update information online.
- ETF will expand outreach to more members and employers in more parts of the state. Efforts will include more timely and efficient electronic communications, a greater number of retirement planning and other information sessions and result in more user-friendly, accessible benefit program materials.
- ETF will strengthen its internal workforce training programs to maintain and grow its highly-skilled and knowledgeable workforce. Efforts will include sophisticated training programs for new as well as existing employees.

The Department is committed to making the most of available resources by incorporating modern best practices, continually evaluating processes for effectiveness in meeting the needs of members, safeguarding member data, and by delivering the best value in benefits and services provided.

2012 ACCOMPLISHMENTS

This section highlights ETF's accomplishments from January through December 2012. These accomplishments are linked to the following strategic business plan objectives:

- 1. Offer self-service tools for members and employers**
- 2. Expand outreach to members and employers**
- 3. Strengthen internal workforce training program**

Note: Many of the following are associated with projects that are prerequisites/building blocks to larger—and in some cases, longer-term—efforts to fulfill strategic plan objectives.

1. OFFER SELF-SERVICE TOOLS FOR MEMBERS AND EMPLOYERS

- Created the Office of Enterprise Initiatives to direct and coordinate all enterprise activities, including the development of a new Benefits Administration System (BAS).
- Established an overarching strategic vision by creating and branding TIM (Transformation, Integration and Modernization) as the umbrella project over numerous other activities.
- Contracted with a strategic partner to help ETF select and implement new technology tools that support its mission and strategic goals, including those that lead to a significant, planned expansion of the self-service tools and capabilities.
- Gathered functional requirements for the BAS and compiled them into a Request for Proposals (RFP) framework.
- Contracted with a vendor to provide data integrity services.
- Created and launched a new online tax calculator to allow annuitants to determine and request tax withholding changes from monthly payments.
- Created and launched a new application allowing members to request retirement estimates online.



2. EXPAND OUTREACH TO MEMBERS AND EMPLOYERS

- Created a new web-based application for converting accumulated sick leave into health insurance premium credits. The change allows employers to directly certify sick leave credits and perform other account inquiry functions, and automates many ETF administrative tasks.
- Utilized ETF's email notification service more than 175 times over the course of the year, communicating with members, employers and interested parties about important WRS topics. Topics included: rates announcement, benefit presentations, employer annual reporting, board meeting notices, and health insurance enrollment materials.
- Deployed a project to facilitate Wisconsin Act 133, which allows local governmental employers who do not participate in the Wisconsin Retirement System (WRS) to offer employees a health care coverage plan through the Wisconsin Public Employees (WPE) program offered by the Group Insurance Board
- Created and launched the first in a series of online training modules for employers.
- Completed the reconciliation of 2011 hours, earnings, and contributions for all WRS employers and active employees within a reasonable timeframe, despite delays due to complex law changes. These changes included implementing mass employee category changes mid-year and extensive contacts with employers regarding the effect of the legislation on employee benefits and employer reporting procedures.

3. STRENGTHEN INTERNAL WORKFORCE TRAINING

- Offered staff 96 internal training sessions on a variety of topics, including project manager certification, new employee orientation, team leadership, career development, and business intelligence.
- Continued the use and expansion of the Project Management Office (PMO) in support of all projects – technical as well as business improvement and development.
- Completed a comprehensive strategic staffing plan to ensure the Department's information technology (IT) organization is well prepared to support the projects of the TIM initiative.
- Provided a day-long training event for all staff on the concept of organizational process improvement.
- Launched a monthly series of professional development meetings designed specifically for supervisors to discuss leadership and other topics of interest with the ETF Secretary and Deputy Secretary.
- Earned an award for employee participation and completion of a "Financial Fitness Challenge," an online, five-week/five-hour retirement financial education course.



FINANCES

**State of Wisconsin
Department of
Employee Trust Funds**



STATE OF WISCONSIN
Legislative Audit Bureau

22 East Mifflin Street, Suite 500
Madison, Wisconsin 53703
(608) 266-2818
Fax (608) 267-0410

www.legis.wisconsin.gov/lab

Toll-free hotline: 1-877-FRAUD-17

Joe Chrisman
State Auditor

Independent Auditor's Report on the Financial Statements and Other Reporting Required by *Government Auditing Standards*

Senator Robert Cowles and
Representative Samantha Kerkman, Co-Chairpersons
Joint Legislative Audit Committee

Members of the Employee Trust Funds Board and
Mr. Robert J. Conlin, Secretary
Department of Employee Trust Funds

Report on the Financial Statements

We have audited the accompanying Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, and the related notes for the following fiduciary funds administered by the State of Wisconsin Department of Employee Trust Funds as of and for the year ended December 31, 2012: the Wisconsin Retirement System, Duty Disability Insurance, Accumulated Sick Leave Conversion Credits, State Retiree Life Insurance, Local Retiree Life Insurance, Employee Reimbursement Accounts, Commuter Benefits, Milwaukee Retirement Systems, State Retiree Health Insurance, and Local Retiree Health Insurance. In addition, we have audited the accompanying Statement of Net Position; Statement of Revenues, Expenses, and Changes in Fund Net Position; Statement of Cash Flows; and the related notes for the following proprietary funds administered by the State of Wisconsin Department of Employee Trust Funds as of and for the year ended December 31, 2012: Long-Term Disability Insurance, Health Insurance, Income Continuation Insurance, and Life Insurance.

Management's Responsibility for the Financial Statements

Management of the Department is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, which is issued by the Comptroller General of the United States. Those

standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on these financial statements.

Opinions

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each fiduciary fund and each proprietary fund administered by the Department as of December 31, 2012, and the respective changes in its financial position and its cash flows thereof, where applicable, for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphases of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to in the first paragraph present only the fiduciary and proprietary funds administered by the Department and do not purport to, and do not, present fairly the financial position of the State of Wisconsin as of December 31, 2012, the changes in its financial position, or where applicable, its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 2 to the financial statements, the Department implemented Governmental Accounting Standards Board (GASB) Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which made presentation changes to its financial statements. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information—Accounting principles generally accepted in the United States of America require that the claims development information for public entity risk pools, the other post-employment benefits schedules of funding progress and employer contributions, and the Wisconsin Retirement System's schedules of funding progress and employer contributions on pages 81 through 88 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by GASB, which considers it to be essential for placing the financial statements in an appropriate operational, economic, or historical context. In accordance with auditing standards generally accepted in the United States of America, we applied certain limited procedures to the required supplementary information that

included inquiries of management about the methods of preparing the information. We further compared the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to do so.

Accompanying Information—Our audit was conducted for the purpose of forming opinions on the financial statements referred to in the first paragraph. The supplementary information included in the sections listed in the table of contents entitled Introduction, Statistics, Actuarial, Investments, and Contributions Paid and Employer Unfunded Liability Balances are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 9, 2013, on our consideration of the Department's internal control over financial reporting; our tests of its compliance with certain provisions of laws, regulations, and contracts; and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

LEGISLATIVE AUDIT BUREAU



Joe Chrisman
State Auditor

December 9, 2013



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**Wisconsin Department of Employee Trust Funds
Statement of Fiduciary Net Position
December 31, 2012
(In Thousands)**

	Wisconsin Retirement System	Duty Disability Insurance	Accumulated Sick Leave Conversion Credits
Assets:			
Equity In Pooled Cash & Cash Equivalents	\$ 3,651,833	\$ 0	\$ 0
Securities Lending Collateral	1,243,643	0	0
Prepaid Expenses	23,947	0	11,150
Receivables:			
Contributions Receivable	112,247	4,363	2,391
Prior Service Contributions Receivable	86,685	0	0
Benefit Overpayments Receivable	3,272	346	7
Due From Other Trust Funds	33,339	150	0
Miscellaneous Receivables	2,160	0	0
Interest and Dividends Receivable	238,681	0	0
Investment Sales Receivable	408,824	0	0
Total Receivables	<u>885,208</u>	<u>4,859</u>	<u>2,398</u>
Investments at Fair Value:			
Stocks	43,097,203	0	0
Fixed Income Investments	24,984,157	0	0
Limited Partnerships	9,692,096	0	0
Multi Asset Investments	2,942,024	0	0
Real Estate	618,926	0	0
Preferred Securities	146,332	0	0
Convertible Securities	45,831	0	0
Foreign Currency Contracts	(11,569)	0	0
Options	(930)	0	0
Financial Futures Contracts	8,548	0	0
Investment In Core Fund	0	506,894	2,151,311
Investment In Variable Fund	0	0	0
Investment in External Pool	0	0	0
Total Investments	<u>81,522,618</u>	<u>506,894</u>	<u>2,151,311</u>
Capital Assets	2,791	0	0
Total Assets	<u>87,330,040</u>	<u>511,753</u>	<u>2,164,859</u>
Liabilities:			
Core Investment Due Other Programs	3,414,425	0	0
Variable Investment Due Other Programs	19,168	0	0
Obligation Under Reverse Repo Agreement	996,024	0	0
Short Sell Obligations	40,097	0	0
Securities Lending Collateral Liability	1,243,643	0	0
Collateral Due to Counterparty	1,340	0	0
Benefits Payable	287,236	2,525	0
Other Estimated Future Benefits	0	0	2,125,500
Unearned Revenue	146	0	0
Due To Other Trust Funds	1,253	0	290
Miscellaneous Payables	107,723	0	0
Investment Payables	146,663	0	0
Total Liabilities	<u>6,257,718</u>	<u>2,525</u>	<u>2,125,790</u>
Net Position Held in Trust for Pension Benefits and Pool Participants	<u>\$ 81,072,322</u>	<u>\$ 509,228</u>	<u>\$ 39,069</u>

The accompanying notes are an integral part of the financial statements.

A schedule of funding progress for the Wisconsin Retirement System is presented on page 87.



Statement 1

State Retiree Life Insurance	Local Retiree Life Insurance	Employee Reimbursement Accounts	Commuter Benefits	Milwaukee Retirement Systems
\$ 0	\$ 0	\$ 5,633	\$ 0	\$ 0
0	0	0	0	0
0	0	751	111	0
0	0	178	190	0
0	0	0	0	0
0	0	0	0	0
11	15	280	137	0
16	22	89	0	0
0	0	0	0	0
0	0	0	0	0
27	37	547	327	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	149,027
0	0	0	0	19,168
365,722	235,715	0	0	0
365,722	235,715	0	0	168,195
0	0	0	0	0
365,749	235,752	6,931	438	168,195
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	5,139	0	0
0	0	0	0	0
0	0	893	109	0
27	37	105	296	0
0	0	107	0	0
0	0	0	0	0
27	37	6,244	405	0
\$ 365,722	\$ 235,715	\$ 687	\$ 33	\$ 168,195



**Wisconsin Department of Employee Trust Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2012
(In Thousands)**

	Wisconsin Retirement System	Duty Disability Insurance
Additions:		
Contributions:		
Employer Contributions	\$ 799,350	\$ 53,032
Employee Contributions	757,151	0
Total Contributions	<u>1,556,501</u>	<u>53,032</u>
Deposits	0	0
Investment Income:		
Net Appreciation (Depreciation) in Fair Value of Investments	8,556,541	0
Interest	682,029	0
Dividends	1,141,840	0
Securities Lending Income	26,836	0
Other	149,407	58,804
Less:		
Investment Income Distributed to Other Funds	405,042	0
Investment Expense	290,608	0
Securities Lending Rebates and Fees	2,293	0
Net Investment Income	<u>9,858,710</u>	<u>58,804</u>
Interest on Prior Service Receivable	4,683	0
Service Reimbursement Income	0	0
Miscellaneous Income	678	4
Total Additions	<u>11,420,572</u>	<u>111,840</u>
Deductions:		
Benefits and Refunds:		
Retirement, Disability, and Beneficiary	4,208,150	30,188
Separation Benefits	26,563	0
Other Benefit Expense	0	0
Distributions	0	0
Carrier Administrative Expenses	0	0
Departmental Administrative Expenses	21,542	427
Total Deductions	<u>4,256,255</u>	<u>30,615</u>
Net Increase (Decrease)	<u>7,164,317</u>	<u>81,225</u>
Net Position Beginning of Year	<u>73,908,005</u>	<u>428,003</u>
End of Year	<u>\$ 81,072,322</u>	<u>\$ 509,228</u>

The accompanying notes are an integral part of the financial statements.



Statement 2

Accumulated Sick Leave Conversion Credits	State Retiree Life Insurance	Local Retiree Life Insurance	Employee Reimbursement Accounts	Commuter Benefits	Milwaukee Retirement Systems
\$ 47,790	\$ 1,205	\$ 1,817	\$ 418	\$ 197	\$ 0
0	3,745	5,070	24,860	1,249	0
47,790	4,950	6,887	25,278	1,446	0
0	0	0	0	0	11,200
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
261,776	15,619	9,968	7	0	21,077
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
261,776	15,619	9,968	7	0	21,077
0	0	0	0	0	0
0	43	58	0	0	0
0	0	0	0	0	0
309,566	20,612	16,913	25,285	1,446	32,277
0	0	0	0	0	0
0	0	0	0	0	0
95,378	17,586	11,631	24,722	1,268	0
0	0	0	0	0	15,000
0	1,039	1,204	753	73	0
612	43	58	227	82	0
95,990	18,668	12,893	25,702	1,423	15,000
213,576	1,944	4,020	(417)	23	17,277
(174,507)	363,778	231,695	1,104	10	150,918
\$ 39,069	\$ 365,722	\$ 235,715	\$ 687	\$ 33	\$ 168,195



Statement 3

Wisconsin Department of Employee Trust Funds
Statement of Net Position - Proprietary Funds
December 31, 2012
(In Thousands)

Assets	Long-Term Disability Insurance	Health Insurance	Income Continuation Insurance	Life Insurance
Current Assets:				
Cash and Cash Equivalents	0	0	0	2,039
Investment in Core Fund	210,703	300,373	89,118	0
Rebates Receivable	0	10,825	0	0
Contributions Receivable	0	2	1,088	0
Due From Other Trust Funds	0	535	290	72
Benefit Overpayment Receivable	88	0	3,688	0
Administrative Fees Receivable	0	0	0	290
Total Current Assets	210,791	311,735	94,184	2,401
Total Assets	210,791	311,735	94,184	2,401
Liabilities				
Current Liabilities:				
Premiums Payable	0	0	0	2,158
Unearned Revenue	0	106,902	0	0
Current Portion of Estimated Future Benefits	32,677	6,339	17,218	0
Due To Other Trust Funds	4,931	48	0	0
Miscellaneous Payables	148	4,947	121	0
Total Current Liabilities	37,756	118,236	17,339	2,158
Noncurrent Liabilities:				
Noncurrent Portion of Estimated Future Benefits	180,391	0	64,985	0
Total Noncurrent Liabilities	180,391	0	64,985	0
Total Liabilities	218,147	118,236	82,324	2,158
Net Position Restricted For Benefits	\$ (7,356)	\$ 193,499	\$ 11,860	\$ 243

The accompanying notes are an integral part of the financial statements.



**Wisconsin Department of Employee Trust Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
For the Year Ended December 31, 2012
(In Thousands)** Statement 4

	Long-Term Disability Insurance	Health Insurance	Income Continuation Insurance	Life Insurance
Operating Revenues:				
Contributions	0	1,223,998	14,657	0
Miscellaneous Income	2	1	64	5
Administrative Reimbursement Income	0	0	0	582
Total Operating Revenues	2	1,223,999	14,721	587
Operating Expenses:				
Benefit Expense	57,382	1,218,608	12,407	0
Carrier Administrative Expenses	1,777	8,593	1,455	0
Departmental Administrative Expenses	668	5,162	472	582
Total Operating Expenses	59,827	1,232,363	14,334	582
Operating Income (Loss)	(59,825)	(8,364)	387	5
Nonoperating Revenues:				
Investment Income	29,885	25,070	10,339	2
Total Nonoperating Revenues	29,885	25,070	10,339	2
Net Income (Loss)	(29,940)	16,706	10,726	7
Change in Net Position	(29,940)	16,706	10,726	7
Total Net Position - Beginning of Year	22,584	176,793	1,134	236
Total Net Position - End of Year	(7,356)	193,499	11,860	243

The accompanying notes are an integral part of the financial statements.



Statement 5

Wisconsin Department of Employee Trust Funds
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2012
(In Thousands)

	Long-Term Disability Insurance	Health Insurance	Income Continuation Insurance	Life Insurance
Cash Flows from Operating Activities				
Cash Received for Rebates	0	16,779	0	0
Cash Received for Insurance Premiums	0	1,230,317	14,504	(6)
Cash Paid for Employee Benefits	(32,795)	(1,234,134)	(18,002)	(75)
Cash Paid for Administrative Services	(2,147)	(13,029)	(2,551)	(650)
Service Reimbursement Income	0	0	0	582
Miscellaneous Income	2	1	64	6
Net Cash Provided (Used) by Operating Activities	(34,940)	(66)	(5,985)	(143)
Cash Flows from Investing Activities				
Investment Income	29,885	25,070	10,339	2
Decrease (Increase) in Investment in Core Fund	5,055	(25,004)	(4,354)	0
Net Cash Provided (Used) by Investing Activities	34,940	66	5,985	2
Net Increase (Decrease) in Cash and Cash Equivalents	0	0	0	(141)
Equity in Pooled Cash and Cash Equivalents at Beginning of Year	0	0	0	2,180
Equity in Pooled Cash and Cash Equivalents at End of Year	0	0	0	2,039
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(59,825)	(8,364)	387	5
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Changes in Assets and Liabilities:				
Decrease (Increase) in Rebates Receivable	0	(825)	0	0
Decrease (Increase) in Contributions Receivable	0	(2)	9	0
Decrease (Increase) in Miscellaneous Receivables	0	0	0	72
Decrease (Increase) in Benefit Overpayments Receivable	(7)	0	344	0
Decrease (Increase) in Due From Other Trust Funds	49	4,090	(290)	(25)
Increase (Decrease) in Estimated Future Benefits	24,063	(292)	(5,936)	0
Increase (Decrease) in Premiums Payable	0	0	0	(75)
Increase (Decrease) in Unearned Revenue	0	3,488	(162)	0
Increase (Decrease) in Miscellaneous Payables	7	2,574	(2)	0
Increase (Decrease) in Due to Other Trust Funds	773	(735)	(335)	(120)
Total Adjustments	24,885	8,298	(6,372)	(148)
Net Cash Provided (Used) by Operating Activities	\$ (34,940)	\$ (66)	\$ (5,985)	\$ (143)

The accompanying notes are an integral part of the financial statements.



Statement 6

**Wisconsin Department of Employee Trust Funds
Statement of Fiduciary Net Position - Agency Fund
December 31, 2012
(In Thousands)**

	State Retiree Health Insurance	Local Retiree Health Insurance
Assets:		
Cash and Cash Equivalents	\$ 0	\$ 0
Receivables:		
Federal Subsidy Receivable	8,705	749
Benefit Overpayment Receivable	12	15
Due From Other Trust Funds	113	0
Miscellaneous Receivables	16	2
Rebates Receivable	7,391	837
Total Receivables	<u>16,237</u>	<u>1,603</u>
Investments at Fair Value:		
Investment in Core Fund	<u>0</u>	<u>0</u>
Total Investments	0	0
Total Assets	<u>16,237</u>	<u>1,603</u>
Liabilities:		
Unearned Revenue	15,516	1,763
Due To Other Trust Funds	18,632	9,323
Miscellaneous Payables	787	330
Benefit & Loss Liabilities--Current	4,930	456
Due To Employers	<u>(23,628)</u>	<u>(10,269)</u>
Total Liabilities	<u>16,237</u>	<u>1,603</u>
Net Position Held In Trust	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes are an integral part of the financial statements.



**Wisconsin Department of Employee Trust Funds
Statement of Changes in Fiduciary Net Position - Agency Fund
December 31, 2012
(In Thousands)**

Statement 7

	Balance		Balance	
	January 1, 2012	Additions	Deductions	December 31, 2012
Local Retiree Health Insurance				
Assets				
Cash and Cash Equivalents	\$ 0	\$ 24,118	\$ 24,118	\$ 0
Receivables:				
Federal Subsidy Receivable	0	1,846	1,097	749
Benefit Overpayment Receivable	19	0	4	15
Due From Other Trust Funds	0	891	891	0
Miscellaneous Receivable	0	2	0	2
Rebates Receivable	257	1,662	1,082	837
Total Receivables	276	4,401	3,074	1,603
Investments at Fair Value:				
Total Assets	276	28,519	27,192	1,603
Liabilities				
Unearned Revenue	1,627	1,763	1,627	1,763
Due To Other Trust Funds	4,669	4,654	0	9,323
Miscellaneous Payables	85	457	212	330
Benefit & Loss Liabilities--Current	238	11,728	11,510	456
Due To Employers	(6,343)	23,851	27,777	(10,269)
Total Liabilities	\$ 276	\$ 42,453	\$ 41,126	\$ 1,603
State Retiree Health Insurance				
Assets				
Cash and Cash Equivalents	\$ 0	\$ 245,588	\$ 245,588	\$ 0
Receivables:				
Federal Subsidy Receivable	9,417	17,865	18,577	8,705
Benefit Overpayment Receivable	12	0	0	12
Due From Other Trust Funds	0	1,131	1,018	113
Miscellaneous Receivable	0	16	0	16
Rebates Receivable	3,999	15,399	12,007	7,391
Total Receivables	13,428	34,411	31,602	16,237
Investments at Fair Value:				
Investment in Core Fund	5,742	0	5,742	0
Total Investments	5,742	0	5,742	0
Total Assets	19,170	279,999	282,932	16,237
Liabilities				
Unearned Revenue	15,033	15,516	15,033	15,516
Due To Other Trust Funds	291	18,341	0	18,632
Miscellaneous Payables	1,711	5,651	6,575	787
Benefit & Loss Liabilities--Current	5,201	109,591	109,862	4,930
Due to Employers	(3,066)	210,592	231,154	(23,628)
Total Liabilities	\$ 19,170	\$ 359,691	\$ 362,624	\$ 16,237

The accompanying notes are an integral part of the financial statements.



NOTES TO FINANCIAL STATEMENTS

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRESENTATION BASIS

The financial statements of the Wisconsin Department of Employee Trust Funds (Department) have been prepared in conformity with generally accepted accounting principles (GAAP) for government units as prescribed by the Governmental Accounting Standards Boards (GASB). The Department is not a general-purpose government and does not present government-wide statements. The Department is included in the State of Wisconsin financial reporting entity.

The assets and operations of the Department are accounted for in the following funds:

FIDUCIARY FUNDS

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Wisconsin Retirement System (WRS): This fund is used to account for the collection of employee and employer contributions; investment of assets; and payment of retirement, disability, and death benefits to former employees, and their beneficiaries, of the State of Wisconsin and participating local governments in Wisconsin.

Accumulated Sick Leave Conversion Credits (ASLCC):

This fund is used to account for the collection of employer contributions, investment of assets, and purchase of post-retirement health insurance for retired employees of the State of Wisconsin and their beneficiaries. This benefit allows employees, at the time of their retirement, to convert the value of their unused sick leave accumulation into an account to be used to pay for post-retirement health insurance. The value of their account is increased by an employer match of part or all of their unused sick leave accumulation.

State Retiree Life Insurance: This fund is used to account for the accumulation of assets and the payment of life insurance benefits for retired employees of the State of Wisconsin.

Local Retiree Life Insurance: This fund is used to account for the accumulation of assets and the payment of life insurance benefits for retired employees of participating local governments in Wisconsin.

Employee Reimbursement Accounts: This fund is used to account for the collection of voluntary payroll deferrals, investment of assets, and reimbursement of qualifying medical and dependent care expenses for employees of the State of Wisconsin, in compliance with Internal Revenue Code (IRC) Section 125.

Commuter Benefits: This fund is used to account for the collection of voluntary payroll deferrals, investment of assets, and reimbursement of qualifying transportation expenses for employees of the State of Wisconsin, in compliance with IRC Section 132.

Duty Disability Insurance: This fund is used to account for the collection of employer contributions, investment of assets, and payment of special disability benefits to protective occupation participants in the WRS.

INVESTMENT TRUST FUND

Milwaukee Retirement Systems: These funds are used to account for the receipt, investment, and disbursement of funds from other public pension funds in Wisconsin.

AGENCY FUNDS

State Retiree Health Insurance: This fund is used to account for the collection of employee and employer contributions, the investment of assets, the purchase of health insurance coverage, and the payment of health insurance claims for retired employees of the State of Wisconsin.

Local Retiree Health Insurance: This fund is used to account for the collection of employee and employer contributions, the investment of assets, the purchase of health insurance coverage, and the payment of health insurance claims for retired employees of participating local governments in Wisconsin.



PROPRIETARY FUNDS

ENTERPRISE FUNDS

Long-Term Disability Insurance: This fund is used to account for the collection of employer contributions, investment of assets, and payment of disability benefits to participants in the WRS.

Health Insurance: This fund is used to account for the collection of employee and employer contributions, the investment of assets, the purchase of health insurance coverage, and the payment of health insurance claims for current employees of both the State of Wisconsin and participating local governments in Wisconsin.

Income Continuation Insurance: This fund is used to account for the collection of employee and employer contributions, the investment of assets, and the payment of disability benefits for employees of both the State of Wisconsin and participating local governments in Wisconsin.

Life Insurance: This fund is used to account for the collection of employee and employer contributions and the purchase of life insurance coverage for current employees of both the State of Wisconsin and participating local governments in Wisconsin.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal ongoing operations for these proprietary funds are: collecting premiums and using the accumulated premiums and investment income to pay benefits. Revenues and expenses not directly related to the principal ongoing operations are classified as non-operating.

Department-wide administrative expenses, capital assets, and general fund activities are most closely associated with the WRS fund and have been blended with that fund for presentation.

All material intrafund transactions have been eliminated from fund financial statements. Interfund transactions have not been eliminated.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The financial statements of the Department have been prepared in accordance with GAAP. The WRS, Duty Disability Insurance and Retiree Life Insurance Funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, contributions are recognized in the accounting period in which the underlying earnings on which the contributions are based are paid and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Security transactions and the related gains and losses are recorded on a trade date basis. Dividend income is recorded on the ex-dividend date, and interest income is accrued as earned.

The State Retiree and Local Retiree Health Insurance Funds are accounted for using the accrual basis of accounting, but have no measurement focus by virtue of their custodial nature. All other funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.



INVESTMENTS

The assets of the WRS and the Milwaukee Retirement System are invested in the Core Retirement Investment Trust (Core Fund) and the Variable Retirement Investment Trust (Variable Fund). The assets of the Income Continuation Insurance, Duty Disability Insurance, Long-Term Disability Insurance, Health Insurance, State Retiree Health Insurance, Local Retiree Health Insurance, and Accumulated Sick Leave Conversion Credit Programs are invested in the Core Fund. Earnings are allocated between the WRS and other programs, based on the average balance invested for each program. Earnings allocated to other programs are classified as Income Distributed to Other Funds on the *Statement of Changes in Fiduciary Net Position*. Investments of these programs in the Core and Variable Funds are classified as Investment in Core Fund and Investment in Variable Fund on the *Statement of Fiduciary Net Position and the Statement of Net Position – Proprietary Funds*. Investments for the Retiree Life Insurance Funds are held by the plan administrator and classified as Investment in External Investment Pool on the *Statement of Fiduciary Net Position*. All other benefit plan assets are invested in the State Investment Fund (SIF). Investments in the SIF are classified as Equity in Pooled Cash and Cash Equivalents on the *Statement of Fiduciary Net Position and the Statement of Net Position – Proprietary Funds*.

The State of Wisconsin Investment Board (SWIB) manages the Core Fund, Variable Fund, and SIF with oversight by a board of trustees, as authorized in Wis. Stat. § 25.17. SWIB is not registered with the Securities and Exchange Commission as an investment company.

FUNDING VALUE OF ASSETS

While investments are valued at fair value for financial statement presentation, a funding value of assets is used in evaluating the funded status of the benefit plans and in determining future contribution requirements. Funding value does not include deferred market gains and losses that have not yet been distributed from the Market Recognition Account (MRA) to the program reserves. See Note 7 for further explanation of the MRA. As of December 31, 2012, the funding value of reserves (\$ in millions) was as follows:

Benefit Plan	Reserves at Funding Value	Deferred Market Gains (Losses)	Reserves at Fair Value
Wisconsin Retirement System	\$78,680.0	\$2,392.3	\$81,072.3
Income Continuation Insurance ⁽¹⁾	(0.1)	11.9	11.8
Duty Disability Insurance	494.1	15.1	509.2
Long-Term Disability Insurance ⁽¹⁾	14.5	(21.8)	(7.3)
Accumulated Sick Leave Conversion Credits ⁽¹⁾	(17.6)	56.6	39.0
Health Insurance ⁽¹⁾	195.2	(1.7)	193.5
State Retiree Health Insurance ⁽¹⁾	(23.2)	(0.4)	(23.6)
Local Retiree Health Insurance ⁽¹⁾	(9.2)	(1.1)	(10.3)

(1) The Reserves at Funding Value and the Reserves at Fair Value for Income Continuation Insurance, Long-Term Disability Insurance, Accumulated Sick Leave Conversion Credits, Health Insurance, and State and Local Retiree Health Insurances have been reduced by the estimated future claims for the benefit plan.

ADMINISTRATIVE EXPENSES

The administrative costs of all Department programs are financed by a separate appropriation and are allocated to the benefit plans in accordance with Wis. Stat. § 40.04. The sources of funds for this appropriation are investment earnings and third-party reimbursement received from the various programs administered by the Department. Total administrative expenses for the year were \$32.0 million.



SWIB incurs expenses related to investing the trust funds. As authorized by Wis. Stat. § 25.187 (2), these costs are charged directly to the investment income of each fund.

(e.g., the Lump Sum Payment System and Accumulated Sick Leave System – Phase 1), and \$122,570 in purchased software.

CAPITAL ASSETS

Capital assets consist of office furniture and equipment and computer software (purchased or externally acquired and internally generated software). The Department capitalizes all furniture and equipment, and purchased computer software with a purchase price in excess of \$5,000, and internally-generated software and other intangible assets in excess of \$1,000,000. Assets are depreciated on a composite basis over an estimated life, ranging from 5 to 20 years, using the straight-line method of depreciation.

As of December 31, 2012, the total value of capital assets was \$5,740,505, less accumulated depreciation of \$2,949,848, for a net capital asset value of \$2,790,657. The net capital asset value includes \$2,075,686 in internally-generated software

LONG-TERM LIABILITIES

Accumulated Sick Leave Conversion Credit Fund:

The Accumulated Sick Leave Conversion Credit Fund reports an actuarially-determined liability for future benefits. The liability is determined using the Frozen Initial Liability actuarial cost method and actuarial assumptions that include a 7.2% long-term rate of investment return and a 3.2% annual base salary increase.

During 2012, the liability changed as follows (\$ in millions):

Beginning balance	\$ 2,161
Plus: New Liabilities Recognized	96
Less: Benefits Paid	<u>(131)</u>
Ending Balance	<u>\$2,126</u>

The portion estimated to be due within one year is \$130 million.

INTERFUND ASSETS / LIABILITIES

Interfund assets and liabilities at December 31, 2012 consist of the following (\$ in thousands):

Due to Other Funds	Due From Other Funds											Total
	Wisconsin Retirement System	Employee Reimbursement Accounts	Commuter Benefits	Long-Term Disability Insurance	Health Insurance	State Retiree Health Insurance	Local Retiree Health Insurance	State Retiree Life Insurance	Local Retiree Life Insurance	Sick Leave		
Wisconsin Retirement System		105	58	4,931		18,632	9,323			290	33,339	
Employee Reimbursement Accounts			238		42						280	
Health Insurance	535										535	
State Retiree Health Insurance	113										113	
State Retiree Life Insurance	3				6			27	37		72	
Local Retiree Life Insurance	11										11	
Commuter Benefits	15										15	
Duty Disability	137										137	
Income Continuation Insurance	150										150	
Total	\$1,253	\$105	\$296	\$4,931	\$48	\$18,632	\$9,323	\$27	\$37	\$290	\$34,941	

Interfund transfers are primarily the result of administrative expense reimbursement to the Wisconsin Retirement System. The outstanding balances between funds result from the time lag between the dates that interfund services are provided or reimbursable expenditures occur and when payments between funds are made. All inter-fund liabilities are expected to be paid within one year of the balance sheet date.



USE OF ESTIMATES

The preparation of financial statements in accordance with GAAP requires management to make estimates that affect amounts reported herein. Due to the inherent uncertainty involved, actual results could differ from those estimates.

MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)

GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, requires that government-wide financial statements include an MD&A to provide an overview of the government’s financial activities. This requirement does not extend to Department financial statements. It was management’s determination that this type of information could be better presented in other areas of the Department’s *Comprehensive Annual Financial Report*. Therefore, management has not included an MD&A with the basic financial statements.

Proprietary Fund Accounting, thereby eliminating the election to apply post-November 30, 1989 FASB pronouncements.

GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Deferred outflows/inflows of resources are defined as the consumption/ acquisition of net assets that are applicable to a future reporting period. Deferred outflows/inflows of resources are distinct from assets and liabilities—hence should be presented in separate sections of the financial statements. This results in redefining *Net Asset* to the concept of *Net Position*. Net position represents the difference between all other elements in a statement of the financial position. There are no Deferred Outflows of Resources or Deferred Inflows of Resources that should be reported by the Department as of December 31, 2012.

2 ACCOUNTING CHANGES

GASB STATEMENTS 62 AND 63

The Department implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective in the calendar year ending December 31, 2012.

GASB Statement No. 62 incorporates all applicable guidance for proprietary operations’ accounting and financial reporting that was previously included in the Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements, into GASB standards. This statement also supersedes GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use*

3 DEPOSITS, INVESTMENTS AND SECURITIES LENDING TRANSACTIONS

VALUATION OF SECURITIES

The investments of the Core and Variable Funds are reported in the *Statement of Fiduciary Net Position* at fair value as prescribed by GASB and per Wisconsin Statutes s. 25.17(14). Unrealized gains and losses are reflected in the *Statement of Changes in Fiduciary Net Position* as Net Appreciation (Depreciation) in Fair Value of Investments.

The fair value of Core and Variable Fund assets are obtained or estimated in accordance with a pricing hierarchy established with SWIB’s custodian Bank of New York Mellon (BNY Mellon). As prescribed by the hierarchy, a variety of independent pricing sources are used to price assets based on type, class or issue.

When a portfolio includes securities or instruments for which the custodial bank does not receive fair value information from its vendor pricing sources, a variety of third party pricing methods are used, including



appraisals, pricing models and other methods deemed acceptable by industry standards.

Privately-held debt, which is included in Fixed Income Investments on the *Statement of Fiduciary Net Position*, is priced using a multi-tiered approach that prices each holding based on the best available information using the following hierarchy of pricing sources:

1. Custodian-supplied prices for assets that are in the Barclays Capital U.S. Aggregate Bond Index;
2. Prices provided by a third party with expertise in the bond market;
3. Modeled prices where interest rate spreads are supplied by a third party.

In a few instances, privately-held debt cannot be priced by one of the above three sources. In these circumstances, the investment is priced using an alternative bond index price or, if no independent quotation exists, the investment is priced by SWIB management, usually at cost.

For alternative investments where no readily-ascertainable market value exists, including limited partnerships and real estate pooled funds, fair value is estimated based on the net asset value as reported by the general partner. The capital account balance as stated in the most recent available quarterly reporting period is adjusted for subsequent cash flows to derive the fair value. Annually, the financial statements of the limited partnerships and real estate pooled funds are audited by independent auditors.

Real estate properties wholly owned by SWIB are valued by independent appraisers every three years. In years when appraisals are not performed, properties are informally appraised by the asset advisor. Each year audited financial statements are prepared for each property.

Monthly, SWIB values hedge funds based on statements received from each of the hedge fund's administrators. Essentially, a hedge fund administrator serves as an independent third party that protects the interests of investors. The main function of a third-party administrator is to independently calculate the net asset value of the fund. Generally, hedge fund administrators price financial instruments traded in active markets based on quoted market prices or binding dealer quotations. For certain over-the-counter instruments, fair value is deter-

mined based on valuation models used by the administrator. Annually, the financial statements prepared by the administrator are audited by independent auditors.

Derivative financial instruments are marked to fair value daily, with valuation changes recognized in income during the period the instruments are held and when the instrument is sold or expires. The nature and use of derivative instruments is discussed later in these notes.

A limited number of securities are carried at cost. Certain non-public or closely held stocks are not reported at fair value, but are carried at cost since no independent quotation is available to estimate fair value for these securities.

Investments for the Retiree Life Insurance Funds are held with the insurance carrier (the Company) in the Company's investment pool. The methods used to value that pool's investments are described in Note 9.

CREDIT RISK

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to SWIB. Fixed income credit risk investment guidelines spell out the minimum ratings required at the time of purchase by individual portfolios, or groups of portfolios, based on the portfolios' investment objectives. In addition, some fixed income portfolios are required to carry a minimum weighted average rating at all times. Information regarding SWIB's credit risk related to derivatives is discussed later in these notes.

The table, *Core & Variable Funds Credit Quality Distribution*, displays the lowest credit rating assigned by several nationally recognized statistical rating organizations on debt securities held by the Core and Variable Funds as of December 31, 2012. Included in this table are fixed income securities, including certain short term securities, classified as Cash Equivalents on the *Statement of Fiduciary Net Position*. Also included are interest rate sensitive investments held in the Core and Variable Funds' securities lending collateral reinvestment pools, which are managed by SWIB's securities custodian (additional information relating to the securities lending program is discussed later in these notes). The table also includes SWIB's investment in commingled fixed income funds, which are not assigned ratings. Although the funds themselves are not assigned ratings, external management investment guidelines govern minimum credit quality standards



for the investments within each portfolio. These standards are determined based on the investment objectives and risk parameters of each fund. The table, *Core & Variable Funds Credit Quality Breakdown of Commingled Funds*, presents the aggregated credit ratings for the underlying investments held by commingled fixed income investments within the Core and Variable Funds.

United States Treasury obligations (UST) and obligations explicitly guaranteed by the U.S. government (AGY) historically were not considered to have credit risk. However, following federal legislation which raised the statutory U.S. debt ceiling in August 2011, the three major U.S. rating agencies (Moody's Investors Service "Moody's", Fitch Investors "Fitch", and Standard & Poor's "S&P") issued divergent perspectives regarding sovereign U.S. debt rating assignments. The credit quality tables present the lowest rating assigned for each security. At December 31, 2012 SWIB's holdings of UST and AGY are shown within the "AA" category.

Core & Variable Funds Credit Quality Distribution December 31, 2012		
Ratings	Fair Value	% of Total
P-1 or A-1	\$ 208,621,591	-
AAA/Aaa	866,879,182	3
AA/Aa	10,061,137,127	33
A	2,704,958,666	9
BBB/Baa	2,580,101,139	9
BB/Ba	514,007,004	2
B	540,748,872	2
CCC/Caa	169,177,184	1
CC/Ca	14,447,824	-
C	3,937,784	-
D	1,966,772	-
Commingled Funds	9,869,679,440	33
Not Rated	2,386,714,824	8
Total	\$ 29,922,377,409	100%

Core & Variable Funds Credit Quality Breakdown of Commingled Funds* December 31, 2012		
Ratings	Fair Value	% of Total
P-1 or A-1	\$ 888,202,753	9
AAA/Aaa	3,467,792,799	35
AA/Aa	2,023,174,893	21
A	1,433,067,773	15
BBB/Baa	1,559,835,661	16
BB/Ba	182,397,048	2
B	231,347,082	2
CCC/Caa	57,457,325	-
CC/Ca	537,822	-
C	-	-
D	<u>1,747,922</u>	-
Not Rated	<u>24,118,362</u>	-
Total	\$ 9,869,679,440	100%

*Reflects aggregated ratings of underlying investments as reported by the commingled fund managers.

Credit risk for the Retiree Life Insurance Funds is minimized by the Company monitoring portfolio diversification by asset class, creditor, and industry and by complying with investment limitations governed by insurance laws and regulations. However, the pool itself is not rated.

REVERSE REPURCHASE AGREEMENTS

SWIB had \$996 million reverse repurchase agreements outstanding at December 31, 2012. Investment guidelines permit certain portfolios to enter into reverse repurchase agreements, which are a sale of securities with a simultaneous agreement to repurchase the securities in the future at the same price plus a stated rate of interest. The market value of the securities underlying reverse repurchase agreements exceeds the cash received, providing the dealers a margin against a decline in market value of the securities. If the counter-

party defaults on their obligations to sell these securities back to SWIB or provide cash of equal value, SWIB could suffer an economic loss equal to the difference between the market value of the underlying securities plus accrued interest and the agreement obligation, including accrued interest. This counterparty credit exposure is monitored daily and managed through the transfer of margin, in the form of cash or securities between SWIB and the counterparty. The Core and Variable Funds counterparty credit exposure at December 31, 2012 is summarized in the table, *Core & Variable Funds Reverse Repurchase Agreements*.



**Core & Variable Funds
Reverse Repurchase Agreements
Counterparty Credit Exposure
December 31, 2012**

Cash Received for Reverse Repurchase Agreements	\$996,023,885
Interest Due to Counterparty	<u>486,777</u>
Total Due to Counterparty	\$996,510,662
Market Value, Including Interest, of Repurchase Collateral Held by Counterparty	<u>\$1,007,044,099</u>
Credit Exposure	<u>\$ (10,533,437)</u>
Market Value UST Securities Held as Margin by SWIB	5,803,880
Market Value of UST Securities Posted as Margin to Counterparty	<u>(3,344,221)</u>
Net Exposure	<u>\$ (8,073,778)</u>

The cash proceeds from reverse repurchase agreements are reinvested by the Core and Variable Funds. The maturities of the purchases made with the proceeds of reverse repurchase agreements are not necessarily matched to the maturities of the agreements. The agreed-upon yields earned by the counterparty were between 0.34% and 0.37% for the reverse repurchase agreements held at December 31, 2012. A portion of the reverse repurchase agreements had open maturities, whereby a maturity date is not established upon entering into the agreement. The remainder of the agreements had been entered into with a maturity date specified upon initiation of the contract. The vast majority of the reverse repurchase agreements that were open at December 31, 2012 matured in January 2013.

The liabilities resulting from reverse repurchase agreements are reported as Obligation Under Reverse Repo Agreement on the *Statement of Fiduciary Net Position*. The underlying assets, as well as the reinvested proceeds, are reported in the Investments section on the *Statement of Fiduciary Net Position*.

CUSTODIAL CREDIT RISK

The Core and Variable Funds do not have a deposit or investment policy specifically related to custodial credit risk.

Deposits: Custodial credit risk related to deposits is the risk that, in the event of the failure of a depository financial institution, SWIB will not be able to recover deposits that are in possession of an outside party. Bank deposits as of December 31, 2012 were \$374.9 million. A portion of the deposits, totaling \$17.6 million, are covered by federal depository insurance. The remaining uninsured and uncollateralized deposits, totaling \$357.3 million, were held in foreign currencies in SWIB’s custodian’s nominee name or were posted as collateral for derivatives transactions. In addition, SWIB held time deposits with foreign financial institutions with a fair value of \$74.6 million, all of which were uncollateralized and uninsured.

Investments: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, SWIB will not be able to recover the value of investments that are in the possession of an outside party. As of December 31, 2012 the Core and Variable Funds held 29 repurchase agreements totaling \$1.7 billion. All of these repurchase agreements were tri-party agreements held in short-term cash management portfolios managed by SWIB’s custodian. The underlying securities for these repurchase agreements were held by the tri-party’s agent, not in SWIB’s name.



CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss attributed to the magnitude of an organization's investment in a single issuer. SWIB limits concentrations of credit risk by establishing investment guidelines for individual portfolios or groups of portfolios that generally restrict issuer concentrations in any one company or Rule 144A securities to less than 5% of the portfolio's market value. The Core and Variable Funds did not hold any investments with a single issuer, exclusive of investments issued or explicitly guaranteed by the U.S. government, representing 5% or more of the funds' value at December 31, 2012.

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. SWIB uses a number of different methods to manage interest rate risk.

Generally, SWIB analyzes long or intermediate term portfolios' interest rate risk using various duration calculations. Modified duration, which is stated in years, is the measure of price sensitivity of a fixed income security to an interest rate change of 100 basis points. The calculation is based on the weighted average of the present values for all cash flows. Some pooled investments are analyzed using an option adjusted duration calculation which is similar to the modified duration method. Option adjusted duration incorporates the duration shortening effect of any embedded call provisions in the securities.

Short-term portfolios use the weighted average maturity (to next reset) to analyze interest rate risk.

Weighted average maturity is the maturity of each position in a portfolio weighted by the dollar value of the position to compute an average maturity for the portfolio as a whole. This measure indicates a portfolio's sensitivity to interest rate changes: a longer weighted average maturity implies greater volatility in response to interest rate changes.

SWIB's investment guidelines related to interest rate risk vary by portfolio. Some fixed income portfolios are required to be managed within a range of a targeted duration, while others are required to maintain a weighted average maturity at or below a specified number of days or years.

The tables, *Core & Variable Funds Interest Rate Sensitivity by Investment Type* and *Core & Variable Funds Interest Rate Sensitivity of Commingled Funds*, present the aggregated interest rate exposure for the Core and Variable Fund assets. Weighted average maturity, where reset dates are assumed to be the effective maturity date for the security, is presented for repurchase agreements and short term pooled investments. Longer term instruments held by the Core and Variable Funds are presented using modified duration, as this measure more accurately states the interest rate sensitivity of these investments. The duration statistic is calculated utilizing reset dates for some floating rate instruments, such as term loans.

Interest rate risk for the Retiree Life Insurance Funds is minimized by the Company maintaining a diversified portfolio of investments and monitoring cash flow patterns, in order to approximately match the expected maturity of liabilities. The pool's investment objective is to maintain levels in its general account sufficient to guarantee principal amounts of reserves. The interest rate exposure of this pool, expressed in terms of duration and average remaining life, is 5.2 and 7.1 years, respectively.



**Core and Variable Funds
Interest Rate Sensitivity by Investment Type
December 31, 2012**

Investment Type	Fair Value*	Duration (years)	Weighted Average Maturity (days)
Asset Backed Securities	\$ 19,794,796	3.90	
Commercial Paper	212,626,941	0.16	
Corporate Bonds & Private Placements	4,966,717,916	5.45	
Corporate Bonds & Private Placements	5,687,655	Not Available	
Foreign Government/Agency Bonds	3,681,908,727	7.16	
Futures Contracts	1,180,427,932	11.62	
Municipal Bonds	116,749,374	11.57	
Repurchase Agreements	1,743,518,422		2
U.S. Government Agencies	832,086,239	1.85	
U.S. Treasury Inflation Protected Securities	5,612,590,756	7.99	
U.S. Treasury Securities	2,861,017,142	6.54	
Total Fair Value	<u><u>\$ 21,233,125,900</u></u>		

* Notional amount presented for futures contracts

**Core and Variable Funds
Interest Rate Sensitivity by Commingled Fund Type
December 31, 2012**

Commingled Fund Type	Fair Value	Duration (years)	Weighted Average Maturity (days)
Short Term Cash Management	\$ 2,504,309,222		73
Emerging Market Fixed Income	365,143,590	7.87	
Global Fixed Income	448,185,065	4.93	
Domestic Fixed Income	6,552,041,563	5.68	
Total Fair Value	<u><u>\$ 9,869,679,440</u></u>		

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. It includes the risk that currencies in which a portfolio's investments are denominated, or currencies in which a portfolio has taken on an active position, will decline in value relative to the U.S. dollar.

Foreign currency exchange rates may fluctuate significantly for a number of reasons, including the forces of supply and demand in the foreign exchange markets, actual or perceived changes in interest rates, intervention by U.S. or foreign governments or central banks, currency controls, or political developments in the U.S. or abroad.

SWIB's policies include foreign currency risk management objectives relating to each individual portfolio. These guidelines address the foreign currency management activities permitted for each portfolio based on the portfolios mandates, risk tolerances and objectives. SWIB also employs discretionary currency overlay strategies at the total fund level when currency market conditions suggest such strategies are warranted. Additional information related to the management of foreign currencies through the use of derivatives is discussed later in these notes.

The table, *Core & Variable Funds Currency Exposures by Investment Type*, presents the funds' investments which were exposed to foreign currency risk at December 31, 2012.



**Currency Exposures by Investment Type
December 31, 2012**

Currency	Cash & Cash Equivalents	Stocks	Fixed Income	Limited Partnerships	Multi Asset	Real Estate	Preferred Securities	Convertible Securities	Options	Futures Contracts	Short Sell Obligations	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Argentina Peso	22	-	-	-	-	-	-	-	-	-	-	22
Australian Dollar	9,738,730	892,041,148	87,521,605	-	-	-	-	-	-	461,468	-	989,762,951
Brazilian Real	1,132,415	105,032,528	30,256,568	-	-	-	-	-	-	-	-	164,424,690
British Pound Sterling	31,631,635	3,249,201,815	293,809,948	113,747,526	-	-	28,003,180	-	(832,175)	(832,175)	(648,051)	3,686,770,698
Canadian Dollar	17,427,346	1,192,728,259	52,506,065	16,225,140	-	-	-	-	-	896,143	(1,916,601)	1,277,866,351
Chilean Peso	-	-	712,015	-	-	-	-	-	-	-	-	712,015
Colombian Peso	-	-	3,033,483	-	-	-	-	-	-	-	-	3,033,483
Czech Koruna	1,746,570	7,882,077	-	-	-	-	-	-	-	-	-	9,628,647
Danish Krone	18	11,645,272	26,746,815	-	-	-	-	-	-	-	-	38,410,105
Euro	64,826,805	3,609,812,484	1,290,503,883	842,355,878	-	-	95,432,769	473,594	-	259,986	(4,250,007)	5,899,414,392
Hong Kong Dollar	3,570,694	628,851,042	-	-	-	-	-	-	-	-	-	632,421,735
Hungarian Forint	15,096	-	15,443,541	-	-	-	-	-	-	-	-	15,458,636
Indian Rupee	72,105	106,335,202	-	-	-	-	-	-	-	-	-	106,407,307
Indonesian Rupiah	13,942	7,869,553	-	-	-	-	-	-	-	-	-	7,883,495
Israeli New Shekel	1,029,315	36,005,073	-	-	-	-	-	-	-	-	-	37,034,388
Japanese Yen	41,790,337	2,573,323,997	1,089,980,494	-	-	-	-	-	-	10,716,567	(8,230,201)	3,707,581,194
Malaysian Ringgit	1,006,314	19,084,596	50,426,649	-	-	-	-	-	-	-	-	70,517,559
Mexican New Peso	1,379,368	49,139,776	101,950,279	-	-	-	-	-	-	-	-	152,469,423
Moroccan Dirham	14,785	125,024	-	-	-	-	-	-	-	-	-	139,809
New Taiwan Dollar	24,139	167,698,117	-	-	-	-	-	-	-	-	-	167,722,256
Turkish Lira	2,014,113	102,278,468	15,348,364	-	-	-	-	-	-	-	-	119,640,945
New Zealand Dollar	271,328	9,473,220	11,962,463	-	-	-	-	-	-	-	-	21,707,011
Norwegian Krone	1,738,437	94,828,323	10,012,696	-	-	-	-	-	-	-	-	106,579,456
Peruvian Nuevo Sol	7,015	87,289	3,498,958	-	-	-	-	-	-	-	-	3,593,261
Philippine Peso	0	2,244,467	6,088,010	-	-	-	-	-	-	-	-	8,332,477
Polish Zloty	37,458	48,533,520	46,033,903	-	-	-	-	-	-	-	-	94,604,881
Romanian Leu	-	-	404,357	-	-	-	-	-	-	-	-	404,357
Russian Ruble	-	-	4,918,653	-	-	-	-	-	-	-	-	4,918,653
Singapore Dollar	1,476,481	186,810,364	-	-	-	-	-	-	-	-	(3,355,706)	184,931,139
South African Rand	779,670	46,318,823	56,987,185	-	-	-	-	-	-	-	-	104,085,678
South Korean Won	144,610	296,641,576	16,770,502	-	-	-	-	-	-	-	-	313,556,689
Swedish Krona	4,037,985	267,372,240	14,706,594	-	-	-	-	-	-	-	-	299,207,975
Swiss Franc	232,448	1,216,839,412	-	13,091,157	-	-	-	-	-	-	(3,527,175)	1,213,544,685
Thai Baht	0	106,765,634	-	-	-	-	-	-	-	-	-	106,765,634
Uruguayan Peso	-	-	9,343,099	-	-	-	-	-	-	-	-	9,343,099
Total	\$ 186,159,177	\$ 15,134,969,301	\$ 3,238,966,125	\$ 985,419,700	\$ -	\$ -	\$ 123,435,948	\$ 473,594	\$ -	\$ 11,500,990	\$ (22,127,741)	\$ 19,658,797,095

• Commingled funds and private equity limited partnerships are commingled investments where the Retirement Funds own only a portion of the overall investment. While the overall investment may be denominated in U.S. dollars, the underlying investments may be exposed to foreign currency risk in various currencies. Commingled investments are shown in the denomination used by the fund for financial reporting.

• Short Sell Obligations are reported as liabilities on the Statement of Net Position. They are included in the above table because they have exposure to foreign currency risk.

• Values may not add due to rounding.

Foreign currency risk for the Retiree Life Insurance Funds is minimized by the Company, utilizing short-duration spot forward contracts to reduce the adverse impact of foreign currency exchange rate risks inherent in the elapsed time between trade processing and trade settlement.



SECURITIES LENDING TRANSACTIONS

State statutes and Board policies permit SWIB to use investments of the Core and Variable Funds to enter into securities lending transactions. These transactions involve the lending of securities to broker-dealers and other entities in exchange for collateral, in the form of cash or securities, with the simultaneous agreement to return the collateral for identical securities in the future. SWIB's securities custodian is an agent in lending the Core and Variable Funds' directly held domestic and international securities. When the Core and Variable Funds' securities are delivered to a borrower as part of a securities lending agreement, the borrower is required to place collateral equal to 102% of the loaned securities' fair value, including interest accrued, as of the delivery date with the lending agent, so long as the securities and the collateral are denominated in the same currency. In the event that securities are loaned against collateral denominated in a different currency, the borrower is required to place collateral totaling 105% of the loaned securities' fair value, including interest accrued, as of the delivery date with the lending agent. Collateral is marked to market daily and adjusted as needed to maintain the required minimum level. Pledging or selling non-cash collateral securities cannot be done without a borrower default.

Cash collateral is reinvested by the lending agent in two separate pools: a U.S. dollar cash collateral pool and a pool denominated in Euros. These pools are administered in accordance with contractual investment guidelines which are designed to minimize the risk of principal loss and provide a modest rate of return. Investment guidelines limit credit and liquidity risk by restricting new investments to overnight repurchase agreements collateralized with high quality U.S. government and sovereign debt securities. To further reduce credit risk, SWIB's custodian provides indemnification to SWIB against borrower default. The earnings generated from the collateral investments, plus or minus the rebates received from or paid to the dealers and less fees paid to agents, results in the net earnings from lending activities, which are then

split on a percentage basis with the lending agent. Cash from the U.S. dollar pool may be posted as collateral relating to short sale transactions and earns a comparable overnight repurchase agreement market rate of return for the duration of the posting. Additional information relating to short sales is discussed later in the notes.

In accordance with money market mutual fund industry standards, the cash collateral reinvestment pools are valued at amortized cost. The amortized or book value of a fund's assets and underlying fair market value of the assets may differ, based on market conditions. The pools' market value relative to its amortized cost is expressed as net asset value (NAV) and is derived by dividing total market value by amortized cost. As of December 31, 2012, the U.S. dollar cash collateral reinvestment pool's NAV was 0.9986, while the Euro reinvestment pool had a NAV of 1.0000.

At calendar year-end, the Core and Variable Funds had minimal credit risk exposure to borrowers because the amounts owed to the borrowers exceeded the amounts the borrowers owed the Core and Variable Funds. In addition to the cash collateral reinvestment indemnification, the contract with the lending agent requires it to indemnify the Core and Variable Funds if the borrowers fail to return the loaned securities and the collateral is inadequate to replace the securities lent. The Core and Variable Funds are also indemnified against losses resulting from violations of investment guidelines.

The majority of security loans are open-ended and can be terminated on demand by the Core and Variable Funds or the borrower. Maturities of investments made with cash collateral are not necessarily matched to the maturities of the securities loaned because most loans do not have a fixed maturity date. The risk that SWIB would be unable to return collateral to securities borrowers upon termination of the loan is low because the majority of investments made with cash collateral mature in one to two business days. At December 31, 2012, the average maturities of the loans and the assets of the collateral reinvestment pools did not materially differ. Securities lending is allowed in certain commingled fund invest-



ments. As a shareholder of such funds, SWIB does not own the underlying securities and does not separately report on securities lending activity. All earnings of these funds are reported in the *Statement of Changes in Fiduciary Net Position as Net Appreciation (Depreciation) in Fair Value of Investments*.

DERIVATIVES

A derivative instrument, as defined by GASB Statement No. 53, is a financial instrument or other contract that has all of the following characteristics:

- **Settlement factors.** It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both. Those terms determine the amount of the settlement or settlements and, in some cases, whether or not a settlement is required.
- **Leverage.** It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- **Net settlement.** Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

Derivatives may be used to implement investment strategies for the Core and Variable Funds. All derivative instruments are subjected to risk analysis and monitoring processes at the portfolio, asset class and fund levels. This note contains information relating to the types of derivatives that SWIB uses in its portfolios. SWIB also invests in derivative instruments indirectly through several commingled funds. Information relating to investments held in commingled vehicles has not been included in the notes.

Investment guidelines define allowable derivative activity for each portfolio and are based on the investment objectives that have been approved by the Board. Where derivatives are permitted, guidelines stipulate allowable instruments and the manner and degree to which they are to be used.

Gains and losses for all derivative instruments are reported in the *Statement of Changes in Fiduciary Net*

Position as Net Appreciation (Depreciation) in Fair Value of Investments.

Derivative transactions can be exchange-traded or privately negotiated over-the-counter (OTC) contracts. The risk profiles associated with exchange-traded and OTC contracts vary primarily for liquidity risk and counterparty credit risk.

Exchange-Traded Derivatives: Compared to OTC derivatives, exchange-traded instruments have lower liquidity risk associated with them as they are standardized contracts which are traded on public markets. In addition, exchange-traded contracts have reduced counterparty credit risk as the contracts are guaranteed by an exchange or clearing corporation. The exchange or clearing corporation acts as an intermediary to the transaction, and establishes minimum collateral requirements. At December 31, 2012, the Core and Variable Funds posted \$125.6 million in cash and \$50.3 million in equity securities as collateral with exchange clearing brokers.

OTC Derivatives: In contrast, OTC contracts typically have higher liquidity risks as the non-standardized agreements are individually negotiated directly between two parties and do not have a public market for trade. In addition, OTC contracts are not guaranteed by any third party intermediary and therefore expose participants to the risk that gains could be lost should the counterparty not carry out the terms of the contract.

In order to address the counterparty credit risk associated with OTC derivatives, guidelines have been established that provide minimum credit ratings for counterparties. Additionally, policies have been established which seek to implement master netting arrangements with counterparties to OTC derivative transactions. Such arrangements permit the closeout and netting of transactions with the same counterparty upon the occurrence of certain events, such as payment default, rating downgrade, bankruptcy, illegality or force majeure. Furthermore, SWIB's policies may include requiring collateral postings relating to OTC contracts. These agreements vary by portfolio and counterparty and are intended to mitigate the credit risk associated with the counterparty. At December 31, 2012, the Core and Variable Funds posted \$8.5 million in cash collateral to OTC counterparties.



Foreign Currency Spot and Forward Contracts

Currency exposure management is permitted through the use of exchange-traded and OTC currency instruments. Direct hedging of currency exposure back to the U.S. dollar is permitted when consistent with the strategy of the portfolio. Cross-currency exposure management to transfer out of an exposed currency and into a benchmark currency is permitted. In some portfolios, currencies of non-benchmark countries may be held through the use of forward contracts, provided that the notional value of any single non-benchmark currency does not exceed 5% of the market value of the portfolio.

SWIB may employ discretionary currency overlay strategies at the total fund and asset class level when currency market conditions suggest such strategies are warranted. Only the currencies of developed market countries in the MSCI World Index may be used to implement the currency overlay.

No cash is exchanged when a foreign exchange spot or forward contract is initiated. Amounts due are paid or received on the contracted settle date. The net receivable or payable for spot and forward contracts is included in Foreign Currency Contracts on the *Statement of Fiduciary Net Position*. Losses may arise from future changes in the value of the underlying currency, or if the counterparties do not perform under the terms of the contract. Spot and forward contracts are valued daily with the changes in fair value included in Net Appreciation (Depreciation) in Fair Value of Investments on the *Statement of Changes in Fiduciary Net Position*.

The table, *Core & Variable Funds Exposures Aggregated by Counterparty Credit Rating*, summarizes by credit rating the Core and Variable Funds' exposure to the 16 counterparties with whom SWIB has entered into OTC contracts as of December 31, 2012, without respect to any collateral or netting arrangement.

**Core & Variable Funds
Exposures Aggregated by Counterparty Credit Rating
December 31, 2012**

Foreign Currency Spot and Forward Contracts

Counterparty Credit Rating	Payable	Receivable	Fair Value
AA	\$ (315,089,658)	\$ 312,664,892	\$ (2,424,766)
A	(2,423,553,965)	2,414,409,632	(9,144,333)
Total	<u>\$ (2,738,643,623)</u>	<u>\$ 2,727,074,524</u>	<u>\$ (11,569,099)</u>

The aggregate fair value of foreign currency spot and forward contracts receivables at December 31, 2012 was \$2,727.1 million. This represents the maximum loss that would be recognized at the reporting date if all 16 counterparties failed to perform as contracted. The maximum exposure is reduced by \$1.3 million of counterparty collateral held by SWIB and \$2,638.3 million of liabilities included in netting arrangements with foreign currency spot and forward contract counterparties, resulting in a net exposure to credit risk of \$87.5 million.

The table, *Core & Variable Funds Foreign Currency Spot and Forward Contracts*, presents the fair value of foreign currency spot and forward contract assets and liabilities held by the Core and Variable Funds as of December 31, 2012 (see next page).



**Core & Variable Funds
Foreign Currency Spot and Forward Contracts
December 31, 2012**

Currency	Notional (local currency)	Fair Value of Foreign Currency Contracts Receivable (\$US)
Foreign Currency Contracts Sold		
Australian Dollar	237,022,093	\$ (1,752,259)
Brazilian Real	31,606,720	452,363
British Pound Sterling	125,194,394	2,622,568
Canadian Dollar	394,676,289	(1,630,908)
Chilean Peso	6,876,400,000	123,670
Chinese Yuan Renminbi	15,000,000	(7,635)
Colombian Peso	832,877,494	16,978
Danish Krone	180,358,035	625,042
Euro Currency Unit	191,954,122	3,073,028
Hong Kong Dollar	228,957,269	(4,114)
Indian Rupee	945,000,000	(156,303)
Israeli New Shekel	32,069,012	133,464
Japanese Yen	27,431,870,272	(15,389,606)
Mexican New Peso	93,376,000	(34,030)
New Zealand Dollar	3,356,007	16,325
Norwegian Krone	118,651,848	392,374
Peruvian Nuevo Sol	17,779,000	44,974
Polish Zloty	15,880,000	145,989
Romanian Leu	1,505,643	5,433
Russian Ruble	319,227,305	271,620
South African Rand	6,826,000	18,027
Singapore Dollar	52,710,506	28,480
Swedish Krona	628,626,662	1,526,249
Swiss Franc	57,616,096	664,528
Turkish Lira	311,000	2,954
		\$ (8,810,789)
Foreign Currency Contracts Purchased		
	Notional (local currency)	Fair Value of Foreign Currency Contracts Payable (\$US)
Australian Dollar	(123,166,414)	\$ (850,231)
Brazilian Real	(22,349,781)	(290,691)
British Pound Sterling	(225,106,795)	(843,113)
Canadian Dollar	(37,483,696)	185,859
Danish Krone	(46,685,317)	(164,570)
Euro Currency Unit	(172,761,926)	(3,456,949)
Hong Kong Dollar	(359,218,161)	2,854
Israeli New Shekel	(82,859,283)	(578,795)
Japanese Yen	(12,896,146,377)	4,640,877
Malaysian Ringgit	(60,000,000)	(49,932)
Mexican New Peso	(33,823,026)	17,289
New Zealand Dollar	(13,855,000)	165,193
Norwegian Krone	(17,000,000)	(96,059)
Peruvian Nuevo Sol	(24,860,000)	(102,956)
Russian Ruble	(44,098,700)	(16,145)
South African Rand	(141,331,000)	(488,418)
South Korean Won	(3,355,698,324)	(52,026)
Swedish Krona	(66,898,253)	(205,841)
Swiss Franc	(97,970,226)	(574,656)
		\$ (2,758,310)
Net Unrealized Gain (Loss) on Foreign Currency Spot and Forward Contracts		\$ (11,569,099)



FUTURES CONTRACTS

A futures contract is an exchange-traded agreement to buy or sell a financial instrument at an agreed-upon price and time in the future. Upon entering into a futures contract, collateral is deposited with the broker, in SWIB's name, in accordance with initial margin requirements. Collateral for futures contracts can be in the form of cash, U.S. Treasuries and equity securities. Futures contracts are marked to market daily, based upon the closing market price of the contract at the board of trade or exchange on which they are traded. The resulting gain/(loss) is typically received/paid the following day until the contract expires.

The fair value of futures contracts represents the unrealized gain/(loss) on the contract, since inception, and is included in Financial Futures Contracts on the *Statement of Fiduciary Net Position*. Gains and losses

resulting from investments in futures contracts are included in the Net Appreciation (Depreciation) in Fair Value of Investments on the *Statement of Changes in Fiduciary Net Position*.

Futures contracts involve, to varying degrees, risk of loss in excess of the margin deposited with the broker. Losses may arise from future changes in the value of the underlying instrument.

Futures contracts may be entered into to efficiently gain or adjust market exposures for purposes that include trust fund rebalancing, sector, interest rate, or duration types of exposure adjustments; the securitization of cash or as a substitute for cash market transactions.

The table, *Core & Variable Funds Futures Contracts*, presents the Core and Variable Funds investments in futures contracts as of December 31, 2012.

Core & Variable Funds Futures Contracts December 31, 2012			
Description	Expiration	Notional Amount	Unrealized Appreciation (Depreciation)*
Fixed Income Futures	Mar 13	\$ 1,180,427,932	\$ (2,649,563)
Equity Index Futures	Jan 13 - May 13	<u>1,777,417,988</u>	<u>11,197,857</u>
Total Futures Contracts		<u>\$ 2,957,845,920</u>	<u>\$ 8,548,294</u>

* Unrealized appreciation/(depreciation) includes foreign currency gains and (losses).



OPTIONS

An option contract gives the purchaser of the contract the right, but not the obligation, to buy (call) or sell (put) the security or index underlying the contract at an agreed-upon price on or before the expiration of the option contract. The seller of the contract is subject to market risk, while the purchaser is subject to credit risk and market risk, to the extent of the premium paid to enter into the contract.

Trust fund rebalancing policies and portfolio investment guidelines permit the use of exchange traded and OTC options. While SWIB did not hold any OTC options at December 31, 2012, SWIB did make investments in OTC options during calendar year 2012. Investment Guidelines allow options to be used to improve market exposure efficiency, enhance expected returns, or provide market exposure hedges. Exchange rules require that the seller of exchange-traded call option contracts cover these positions either by collateral deposits in the form of cash or securities or by pledging, in escrow, the actual securities that would be transferred to the option purchaser in the event the option contract were exercised.

The fair value of option contracts is based upon the closing market price of the contract and is reflected as Options on the *Statement of Fiduciary Net Position*. Gains and losses as a result of investments in option contracts are included in the Net Appreciation (Depreciation) in Fair Value of Investments on the *Statement of Changes in Fiduciary Net Position*. The table, *Core & Variable Funds Option Contracts*, presents the fair value of option contracts as of December 31, 2012.

SHORT SELL OBLIGATIONS

The Core and Variable Funds may sell a security it does not own in anticipation of purchasing the security later at a lower price. This is known as a short sale transaction. For the duration of the short sale transaction, a liability is recorded under Short Sell Obligations on the Statement of Fiduciary Net Position. The liability presented on the *Statement of Fiduciary Net Position* represents the fair value of the borrowed securities necessary for delivery to the purchaser and is marked-to-market daily. Realized and unrealized gains and losses associated with short sales are recorded on the Statement of Changes in Fiduciary Net Position within the Net Appreciation (Depreciation) in Fair Value of Investments category. While the transaction is open, the Core and Variable Funds incur expenses for securities borrowing costs. In addition, as a security borrower, the Core and Variable Funds may incur dividend and interest expense as such payments must be remitted to the security lender during the course of the loan.

Risks arise from short sales due to the possible illiquidity of the securities markets and from potential adverse movements in security values. The cost to acquire the securities sold short may exceed the amount of proceeds initially received, as well as the amount of the liability recorded as Short Sell Obligations in the *Statement of Fiduciary Net Position*. Short sales expose the short seller to potentially unlimited liability because there is no upward limit on the price a shorted security could attain. Portfolio guidelines limit the total value of short sales in any portfolio to 20% of a portfolio's value. Portfolios which engage in short sales have long only benchmarks established by the Board. Investment performance and

Core & Variable Funds Option Contracts December 31, 2012

Security Description	Contract Type	Expiration	Notional	Unrealized Gain (Loss)	Fair Value
Options Sold					
Equity	Call	Jan 13 - Feb 13	\$ (7,768,920)	\$ (610)	\$ (92,094)
Equity	Put	Jan 13 - May 13	(361,920,541)	582,873	(864,034)
			(369,689,461)	582,262	(956,128)
Options Purchased					
Equity	Call	Jan 13 - Mar 13	4,345,500	61,818	24,225
Equity	Put	Feb 13	930,000	25,200	2,400
			5,275,500	(87,018)	26,625
Total Option Contracts			\$ (364,413,961)	\$ (495,245)	\$ (929,503)



risk associated with each portfolio is measured against benchmarks and monitored by management.

When a short sale occurs, the shorting portfolio must borrow the security and deliver it to the buyer. If the shorted security is owned by another Retirement Fund portfolio, investment policies allow the borrowing of securities from other Retirement Fund portfolios.

The Core and Variable Funds are required to post collateral to the lender, at the required rate of 102% for in-currency loans and 105% for cross-currency loans. At December 31, 2012, the Core and Variable Funds posted \$42.0 million in cash collateral to security lenders. This represented \$1.5 million in excess of the fair market value of the corresponding securities sold short. If the security lender recalled the security and SWIB was not able to supply the lender with the security, the lender would be permitted to use SWIB's collateral to fund the purchase of the security.

MULTI ASSET

SWIB employs portfolio strategies which involve investment across multiple asset classes. The Multi Asset Investments category on the *Statement of Fiduciary Net Position* consists of risk parity and hedge funds multi asset strategies. Risk parity and hedge fund investments are either in the form of a commingled fund—with ownership through fund shares—or a limited partnership. The risk parity portfolios seek to equally weight asset allocation risk across multiple assets and geographies.

Exposures are expected to deliver improved risk and return tradeoffs, versus conventional portfolios comprised of stocks and bonds. The risk parity portfolios also intend to provide more diversified exposure over various economic environments. The Core and Variable Funds invest in a diversified set of hedge fund strategies, invested across multiple asset classes. In general, a hedge fund is a private investment fund that seeks to produce absolute returns using a broad range of strategies with low to moderate levels of volatility, typically employing both long and short positions. An allocation to a diversified hedge fund portfolio is intended to have low correlation to traditional publicly traded equities and contribute to overall portfolio diversification.

Hedge funds can be illiquid—either by virtue of the illiquidity of underlying assets, or due to lock-up terms in the partnership agreement. However, SWIB has taken steps to minimize this risk by investing in hedge funds with more liquid asset classes and by structuring its investments to stagger lock-up periods. Hedge funds also use leverage to varying degrees, and while it is possible that a hedge fund can lose a significant portion of its capital, SWIB has limited the amount it invests in hedge funds in total and with any individual hedge fund manager. At calendar year-end, the majority of SWIB's risk parity and hedge fund investments are reflected within the Multi Asset Investments category on the *Statement of Fiduciary Net Position*. Hedge fund portfolios with a long only equity strategy are included within the Stocks classification on the *Statement of Fiduciary Net Position*.



SUMMARY OF INVESTMENTS

The table, *Core & Variable Funds Summary of Investments*, provides summary information by investment classification for the Core and Variable Funds at December 31, 2012.

Core & Variable Funds Summary of Investments December 31, 2012				
Classification	Coupon Rate (%)	Maturity Dates	Cost	Fair Value
Stocks	N/A	N/A	\$36,600,811,201	\$43,097,202,718
Fixed Income	Variable & 0.00 - 16.25	1/2013 - 10/2120	22,677,001,511	24,984,156,717
Limited Partnerships	N/A	N/A	9,473,710,725	9,692,095,944
Multi Asset	N/A	N/A	2,643,944,583	2,942,023,858
Real Estate	N/A	N/A	475,388,040	618,925,897
Preferred Securities	N/A	N/A	142,313,608	146,331,688
Convertible Securities	Variable & 0.875 - 5.50	6/2013 - 12/2041	41,940,630	45,830,536
Foreign Currency Contracts	N/A	1/2013 - 5/2013	-	(11,569,099)
Option Contracts	N/A	1/2013 - 5/2013	(1,424,747)	(929,503)
Financial Futures Contracts	N/A	1/2013 - 5/2013	-	8,548,294
Short Sell Obligations	N/A	N/A	(38,119,746.15)	(40,097,372)
Total			<u>\$72,015,565,804</u>	<u>\$81,482,519,678</u>

N/A = Not Applicable

UNFUNDED CAPITAL COMMITMENTS

The Core Fund has committed to fund various limited partnerships and side-by-side agreements related to its private equity and real estate holdings. Commitments that have not been funded as of December 31, 2012, totaled \$5.1 billion. Unfunded commitments are not included in the financial statements because the amount and timing of the funding is not certain.



4 DESCRIPTION OF WISCONSIN RETIREMENT SYSTEM

The Wisconsin Retirement System (WRS) is a cost-sharing, multiple-employer public employee retirement system established and administered by the State of Wisconsin to provide pension benefits for state and local government employees. The system is administered in accordance with Chapter 40 of the Wisconsin Statutes.

WRS EMPLOYERS

The WRS is open to all public employers in Wisconsin. Participation is optional, except that participation is mandatory for school districts with respect to teachers, some municipalities with respect to police and firefighters, and all counties except Milwaukee County. As of December 31, 2012, the number of participating employers was:

State Agencies, UW & Public Authorities	57
Cities	152
Counties	71
4th Class Cities	36
Villages	261
Towns	240
School Districts	424
Cooperative Educational Service Agencies	12
Wisconsin Technical College System Districts	16
Special Districts	209
Total Employers	<u>1,478</u>

WRS MEMBERSHIP

Prior to July 1, 2011, any employee of a participating employer who is expected to work at least 600 hours per year (440 hours per year for teachers and school district educational support employees) must be covered by the WRS. 2011 Wisconsin Act 32 increased the required expected work hours to at least 1,200 hours per year (880 hours per year for teachers and school district educational support employees). This change generally applied to any employee of a participating employer hired on or after July 1, 2011. As of December 31, 2012, the WRS membership consisted of:

Current Employees:	
General	134,555
Teachers	98,714
Elected / Executive / Judges	1,420
Protective with Social Security	19,410
Protective without Social Security	2,734
Total Current Employees	<u>256,833</u>
Inactive Participants:	
Terminated Participants	155,887
Alternate Payees	4,086
Total Inactive Participants	<u>159,973</u>
Retirees and Beneficiaries Currently Receiving Benefits:	
Retirement Annuities	165,966
Disability Annuities	6,473
Death Beneficiary Annuities	1,216
Total Annuitants	<u>173,655</u>
Total Participants	<u>590,461</u>

WRS BENEFITS

The WRS provides retirement benefits as well as death and disability benefits. Vesting requirements have changed over time, as follows:

- Participants in the system prior to January 1, 1990, were fully vested at the time they met participation requirements;
- For participants entering the system from January 1, 1990, to April 23, 1998, creditable service in each of five years was required for vesting;
- All active participants in the system at any time from April 24, 1998 to June 30, 2011 are fully vested;
- 2011 Wisconsin Act 32 generally required participants hired on or after July 1, 2011 to have five years of creditable service to be vested.



Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service. Formula factors are shown in the table below.

Employment Category	Service Before 1/1/2000	Service Between 2000 & 2011	Service After 2011
General and Teachers	1.765%	1.6%	1.6%
Executive and Elected	2.165	2.0*	1.6*
Protective with Social Security	2.165	2.0	2.0
Protective without Social Security	2.665	2.5	2.5

*2011 Wisconsin Act 10 changed the Executive and Elected formula factor from 2.0% to 1.6%. The effective date of the change varies among different employee categories, and generally applies to the services earned after Act 10 effective date (i.e., June 29, 2011).

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

POST-RETIREMENT ADJUSTMENTS

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuari-

al experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement.

The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Adjustment	Variable Adjustment
2003	0.0%	(27)%
2004	1.4	25
2005	2.6	7
2006	0.8	3
2007	3.0	10
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)

The negative Core annuity adjustments from 2009 to 2012 are primarily due to the Fund's \$21 billion investment decline in 2008, caused by the global economic crisis. Core Fund gains and losses are recognized over a five-year period. Therefore, 2013 is the fifth and final year that 2008 investment experience will affect the Core annuity adjustment.

ACTUARIAL LIABILITIES

The WRS unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of payroll over a 40-year period beginning January 1, 1990, for employers in the WRS prior to 2009. The remaining balance is expected to be fully amortized by December 31, 2029. Liabilities for employers joining the WRS beginning in 2009 are amortized over 30 years. Interest is assessed on the outstanding liability at year-end at the assumed earnings rate. The level-percentage-of-payroll amortization method results in a relatively lower dollar contribution in earlier years than in later years, when payrolls have increased. During the early years of the amortization period, payments made are less than annual interest assessments, resulting in an increase in the liability. As payrolls increase annually, prior service payments increase proportionally until they exceed annual interest and



ultimately fully liquidate the liability at the end of the amortization period. State law requires the accrued retirement cost to be funded.

As of December 31, 2012, the UAAL was \$70 million. The Prior Service Contributions Receivable presented on the *Statement of Fiduciary Net Position* includes the UAAL plus payments received in January 2013, which reduce the UAAL for actuarial purposes, but not for GAAP reporting.

VARIABLE RETIREMENT OPTION

Prior to 1980, WRS participants could opt to have one-half of their required contributions and matching employer contributions invested in the Variable Fund. Retirement benefits were adjusted for the difference between the investment experience of the Core Fund and the Variable Fund. Provisions for allowing members to withdraw from the Variable Fund were added with the passage of Chapter 221, Laws of 1979. The Variable Fund was closed to new membership after April 30, 1980. 1999 Wisconsin Act 11 reopened the Variable Fund for existing and future participants, effective January 1, 2001. As of December 31, 2012, there were 65,629 active and inactive members and 39,873 annuitants participating in the Variable Fund.

MUNICIPAL POLICE AND FIREFIGHTERS PENSION GROUP

As of March 31, 1978, administration of certain local funds for police officers and firefighters was assumed by the Wisconsin Retirement Fund. This included approximately 2,000 members. As of December 31, 2012, approximately 179 annuitants or their beneficiaries remained in the system. This group was closed to new members after January 1, 1948.

The liability for retirement benefits for these annuitants is funded by the employers, as benefit payments are made. Annuity reserves for these police and firefighter annuities are established by a transfer from the employer accumulation reserve at the time the annuity is approved. Earnings on these reserves are used to fund annuity adjustments on the same basis as for WRS annuitants. The unfunded liability for these annuitants as of December 31, 2012, was \$5.4 million.

ANNUITY SUPPLEMENT - GENERAL FUND

As authorized under 1985 Wis. Stats. § 40.27 (1), the General Fund provides certain supplemental annuity benefits to annuitants receiving a continuing annuity on or before September 1974. The benefit is subject to continuation of the appropriation by the Legislature. The Department serves as a clearing agent for its payment. Total supplemental annuity benefits paid were \$0.5 million in 2012.

5 CONTRIBUTIONS MADE AND REQUIRED

REQUIRED CONTRIBUTIONS

Contribution rates are determined by the “entry age normal with a frozen initial liability” actuarial method. This is a “level contribution” actuarial method intended to keep employer and employee contribution rates at a level percentage of payroll over the years. This method determines the amount of contributions necessary to fund: 1) the current service cost, which represents the estimated amount necessary to pay for benefits earned by the employees during the current service year plus actuarial gains or losses arising from the difference between actual and assumed experience; and 2) the prior service cost, which represents the estimated amount necessary to pay for unfunded benefits earned prior to the employer becoming a participating employer in WRS and the past service cost of benefit improvements.

The 2012 contribution requirements were determined by the December 31, 2010, actuarial valuation. Significant actuarial assumptions used in the 2010 valuation include:

- **Investment return:** 7.2%
- **Discount rates:** pre-retirement 7.2%
post-retirement 5.0%
- **Salary increases:** inflation 3.2%
seniority/merit 0.2% - 5.8%
- **Post-retirement benefit adjustments:** 2.1%*

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.



The Department has changed how it discloses the discount rate to clarify how it has historically determined plan liabilities and contribution rates. Prior to retirement, liabilities are discounted using the investment return assumption, currently 7.2%. Post-retirement liabilities are discounted using the assumed benefit rate of 5.0%.

Employee contributions are deducted from the employee's salary and remitted to the Department by the participating employer. Prior to June 29, 2011, part or all of the employee contributions could be paid by the employer on behalf of the employee. Effective June 29, 2011, 2011 Wisconsin Act 10 provided that employers generally may not pay the employee required contribution unless a collective bargaining agreement existed prior to the effective date. The Act also changed the contribution rates and the manner in which the contributions are allocated to the accounts of employees. Effective the first day of the first pay period on or after June 29, 2011, the

employee required contribution was changed to one-half of the actuarially-determined contribution rate for General category employees, which includes teachers; and employees in the Executive Group and Elected Officials category. Required contributions for Protective Occupation category employees are the same rate as General category employees. Employers are required to contribute the remainder of the actuarially-determined contribution rate.

Prior to 2011 Wisconsin Act 10, General category employees also made an actuarially-determined benefit adjustment contribution (BAC). The BAC was treated as an employer contribution for benefit purposes and, therefore, not included in separation benefits, death benefits, or money purchase annuities. Part or all of the BAC could be paid by the employer on behalf of the employee. 2011 Wisconsin Act 10 eliminated the BAC, effective on the first pay period on or after June 29, 2011.

Contribution rates in effect during 2012 by employment category were:

	Employer Current	Employer Prior*	Employee	Total
Elected Officials, State Executive Retirement Plan	7.05%	0.0%	7.05%	14.1%
Protective Occupation with Social Security	9.0	0.0	5.9	14.9
Protective Occupation without Social Security	11.3	0.3	5.9	17.5
General and Teachers	5.9	0.1	5.9	11.9

* The employer prior service contribution rate is a weighted average of individual employer rates.

Contributions required and made during 2012 were:

	Contributions Required		Contributions Made	
	Contributions (\$ in millions)	Percentage of Payroll	Contributions (\$ in millions)	Percentage of Payroll
Employer Current Service	\$791.9	6.27%	\$791.9	6.27%
Employer Prior Service*	34.2	0.27	34.2	0.27
Employee Required	746.6	5.91	746.6	5.91

* Employer Prior Service contributions are recorded on the Statement of Fiduciary Net Position as a reduction in the Prior Service Contribution Receivable. Contributions Made includes both mandatory and voluntary payments received from participating employers. Some Prior Service contributions received after year end are included in Contributions Made, but are not in the determination of Prior Service Contributions Receivable. This is due to a difference in how these payments are treated for actuarial and financial reporting purposes.

Employers also contributed \$1.3 million in reimbursement for benefits paid under the s. 62.13, Wis. Stat, Police and Firefighters Pension Program.



EMPLOYEE AND EMPLOYER ADDITIONAL CONTRIBUTIONS

Contributions in addition to those required contributions by employees and/or employers may be made to the retirement system. These contributions are held in separate reserve accounts and are subject to certain restrictions as to amount, form of benefit payments, tax status, etc.

6 FUNDED STATUS AND FUNDING PROGRESS – WRS

The funded status of the plan as of December 31, 2012, is as follows (\$ in millions):

(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) Frozen Entry Age	(c) Unfunded Actuarial Accrued Liability (UAAL) (b) – (a)	(d) Funded Ratio (a) / (b)	(e) Covered Payroll	(f) UAAL as Percentage of Covered Payroll (c) / (e)
\$78,613.0	\$78,682.7	\$69.7	99.9%	\$12,627.5	0.6%

The *Schedules of Funding Progress*, presented as required supplementary information following the *Notes to the Financial Statements*, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time, relative to the actuarial accrued liabilities for benefits.

Additional information as of the latest actuarial valuations follows:

Valuation Date:	December 31, 2012
Actuarial Cost Method:	Frozen Entry Age
Amortization Method:	Level Percent – Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)
Actuarial Assumptions	
Investment return:	7.2%
Discount rates: pre-retirement	7.2%
post-retirement	5.0%
Salary increases: inflation	3.2%
seniority/merit	0.2% - 5.8%
Post-retirement benefit adjustments:	2.1%*

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

The Department has changed how it discloses the discount rate to clarify how it has historically determined plan liabilities and contribution rates. Prior to retirement, liabilities are discounted using the investment return assumption, currently 7.2%. Post-retirement liabilities are discounted using the assumed benefit rate of 5.0%.

7 RESERVES

The following reserves have been established to reflect legal restrictions on the use of pension trust funds.

EMPLOYEE ACCUMULATION RESERVE

As authorized by Wis. Stats. § 40.04 (4), this reserve includes all required and voluntary employee contributions, including contributions made by the employer on behalf of the employee. This reserve may only be used



to pay lump sum benefits or transfers to the Annuity Reserve to fund annuities. All legal restrictions on use of this reserve were met during the year. The Employee Accumulation Reserve is fully funded.

Employee Accumulation Reserve balances (\$ in millions) as of December 31, 2012, were:

	Core	Variable	Total
Employee Required	\$ 13,112.4	\$ 1,147.3	\$ 14,259.7
Employee Additional	<u>121.8</u>	<u>14.7</u>	<u>136.5</u>
Total	<u>\$ 13,234.2</u>	<u>\$ 1,162.0</u>	<u>\$ 14,396.2</u>

EMPLOYER ACCUMULATION RESERVE

As authorized by Wis. Stat. § 40.04 (5), this reserve includes all required employer contributions, including contributions for amortization of the unfunded accrued actuarial liability. This reserve may only be used to pay lump sum benefits or transfers to the Annuity Reserve to fund annuities. All legal restrictions on use of this reserve were met during the year. The Employer Accumulation Reserve is 99.9% funded.

Employer Accumulation Reserve balances (\$ in millions) as of December 31, 2012, were:

	Core	Variable	Police & Firefighters	Total
Employer Accumulation	\$19,023.0	\$1,147.3	\$0.0	\$20,170.3
Less: Unfunded Actuarial Accrued Liability	<u>0.0</u>	<u>0.0</u>	<u>(5.4)</u>	<u>(5.4)</u>
Net Employer Accumulation	<u>\$19,023.0</u>	<u>\$1,147.3</u>	<u>(\$5.4)</u>	<u>\$20,164.9</u>

ANNUITY RESERVE

As authorized by Wis. Stat. § 40.04 (6), this reserve includes the present value of all annuities. The present value of new annuities is transferred from the Employee Accumulation Reserve and the Employer Accumulation Reserve to the Annuity Reserve. This reserve may only be used for the payment of annuities and death benefits to annuitants. All legal restrictions on use of this reserve were met during the year. The Annuity Reserve is fully funded.

Annuity Reserve balances (\$ in millions) as of December 31, 2012, were:

	Core	Variable	Police & Firefighters	Total
Annuity Reserve	<u>\$40,572.6</u>	<u>\$3,465.4</u>	<u>\$15.0</u>	<u>\$44,053.0</u>

MARKET RECOGNITION ACCOUNT

As authorized by Wis. Stat. § 40.04 (3), this reserve is used to smooth the flow of investment income into the Employee, Employer, and Annuity Reserves and other benefit plans invested in the Core Fund. Under the Market Recognition Account (MRA), all investment income, including realized and unrealized market gains and losses, is deposited into the MRA. At year-end, income equal to the assumed earnings rate is recognized. Any surplus or shortfall in earnings is recognized equally over five years.

Year-end balances in the MRA (\$ in millions) for the last five years after annual distributions were as follows:

	MRA
December 31, 2008	(18,629)
December 31, 2009	(9,471)
December 31, 2010	(5,067)
December 31, 2011	(5,340)
December 31, 2012	2,451



8 PUBLIC ENTITY RISK POOLS

PUBLIC ENTITY RISK POOLS

The Department operates four public entity risk pools: Health Insurance, Income Continuation Insurance (ICI), Long-Term Disability Insurance (LTDI), and Life Insurance. In accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, these funds are accounted for as enterprise funds.

HEALTH INSURANCE FUND

The Health Insurance Fund offers group health insurance for current employees of the State of Wisconsin and of participating local public employers. All public employers in the state are eligible to participate. The State of Wisconsin and 361 local employers participated during the year. The fund includes both a self-insured fee-for-service plan as well as various prepaid plans, primarily Health Maintenance Organizations (HMOs).

The Health Insurance Fund includes three separate risk pools. The first pool includes those members who have chosen health insurance coverage from an HMO. All liabilities for medical claims for these participants are the responsibility of the HMO and are not included in the unpaid claims analysis or in the Required Supplementary Information.

The second pool includes medical coverage for those members selecting the self-insured indemnity plan offered by the Department. Liabilities for this pool are presented in the unpaid claims analysis and in the Required Supplementary Information.

The last pool includes self-insured pharmacy benefits for all members regardless of whether they receive medical coverage from an HMO or through the indemnity plan. Liabilities for this pool are presented in the unpaid claims analysis and in the Required Supplementary Information.

INCOME CONTINUATION INSURANCE FUND

The Income Continuation Insurance (ICI) Fund offers both long-term and short-term disability benefits (up to 75% of gross salary) for current employees of the State of Wisconsin and participating local public employers. All public employers in Wisconsin are eli-

gible to participate. The State of Wisconsin and 192 local employers currently participate in the plan, and it is self-insured. Since March 2012, premiums have been suspended for the local employers as a result of the increase in funded status of the program.

LONG-TERM DISABILITY INSURANCE FUND

Effective October 15, 1992, the Group Insurance Board (GIB) established the Long-Term Disability Insurance (LTDI) program as an alternative to the long-term disability coverage provided through the WRS. The ETF Board purchases disability insurance coverage from the GIB for WRS participants.

Participants who were covered by the WRS prior to October 15, 1992, have the option to select either disability benefits from LTDI or WRS at the time of disability. New WRS participants on or after October 15, 1992, are eligible only for LTDI disability benefits.

An LTDI benefit replaces 40% of the disabled participant's final average earnings until normal retirement age or for a minimum of five years. It also provides for additional annual contributions to the participant's WRS account equal to 7% of the participant's final average earnings. At normal retirement age or after a minimum of five years of LTDI benefits, the LTDI benefit terminates and the participant is eligible for a WRS retirement benefit.

The WRS pays actuarially-determined premiums to the GIB for LTDI coverage. Since January 1, 1999, premiums have been suspended in recognition of the funding level in the program.

LIFE INSURANCE FUND

The Life Insurance Fund offers group life insurance coverage for current State of Wisconsin employees and employees of participating local public employers. All public employers in the state are eligible to participate. The State of Wisconsin and 714 local employers currently participate in the program. Employers and active employees make premium contributions, which ETF passes on to the insurance carrier (the Company). Participants have the option to select multiple coverage levels, each of which requires different premium contributions. Assets and liabilities are recorded in this program for contributions not yet received and payments not yet remitted to the Company, respectively.



PUBLIC ENTITY RISK POOL ACCOUNTING POLICIES

Basis of Accounting: All public entity risk pools are accounted for in enterprise funds using the full accrual basis of accounting and the flow of economic resources measurement focus.

Valuation of Investments: Assets of the Health Insurance, ICI, and LTDI funds are invested in the Core Retirement Investment Trust and are valued at fair value.

Unpaid Claims Liabilities: The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. The estimate includes the effects of inflation and other societal and economic factors. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Unpaid claims liability is presented at face value and is not discounted for Health Insurance. These liabilities are discounted using an interest rate of 7.2% for the ICI and LTDI programs. The liabilities of the ICI, Health Insurance, and LTDI pro-

grams were determined by actuarial methods. Face value of the liability for these programs is not available.

Administrative Expenses: All maintenance expenses are expensed in the period they are incurred. Acquisition costs are immaterial and are treated as maintenance expenses. Claim adjustment expenses are also immaterial.

Reinsurance: Health insurance plans provided by HMOs are fully insured by outside insurers. All remaining risk is self-insured with no reinsurance coverage.

Risk Transfer: Participating employers are not subject to supplemental assessments in the event of deficiencies. If the assets of a fund were exhausted, participating employers would not be responsible for the fund's liabilities.

Premium Setting: Premiums are established by the GIB (Health Insurance, ICI, and LTDI) in consultation with actuaries.

Statutory Authority: All programs are operated under the authority of Chapter 40, Wisconsin Statutes.



UNPAID CLAIMS LIABILITIES

Each fund establishes a liability for both reported and unreported insured events, which is an estimate of future payments of losses. The following represents changes in those aggregate liabilities (\$ in millions) for each fund during the past year. The amounts for Health Insurance Programs include only the portion of the program that is self-insured.

	Income Continuation Insurance		Long-Term Disability Insurance		Health Insurance		Pharmacy Benefits	
	2012	2011	2012	2011	2012	2011	2012	2011
Unpaid claims at beginning of the calendar year	\$88.1	\$74.1	\$189.0	\$175.6	\$2.7	\$3.6	(\$6.1)	(\$7.4)
Incurred claims:								
Provision for insured events of the current calendar year	33.4	42.4	52.0	43.5	17.7	21.4	141.3	144.6
Changes in provision for insured events of prior calendar years	<u>(21.0)</u>	<u>(10.1)</u>	<u>5.4</u>	<u>(1.0)</u>	<u>(0.7)</u>	<u>(1.4)</u>	<u>0.5</u>	<u>(1.1)</u>
Total incurred claims	<u>12.4</u>	<u>32.3</u>	<u>57.4</u>	<u>42.5</u>	<u>17.0</u>	<u>20.0</u>	<u>141.8</u>	<u>143.5</u>
Payments:								
Claims attributable to insured events of the current calendar year	5.9	6.7	2.5	1.9	15.1	18.7	134.2	150.7
Claims attributable to insured events of prior calendar years	<u>12.4</u>	<u>11.6</u>	<u>30.8</u>	<u>27.2</u>	<u>2.0</u>	<u>2.2</u>	<u>(5.6)</u>	<u>(8.5)</u>
Total payments	<u>18.3</u>	<u>18.3</u>	<u>33.3</u>	<u>29.1</u>	<u>17.1</u>	<u>20.9</u>	<u>128.6</u>	<u>142.2</u>
Total unpaid claims at end of the calendar year	<u>\$82.2</u>	<u>\$88.1</u>	<u>\$213.1</u>	<u>\$189.0</u>	<u>\$2.6</u>	<u>\$2.7</u>	<u>\$7.1*</u>	<u>(\$6.1)*</u>

*Total unpaid claims at the end of 2012 is the net of \$3.7 million in unpaid claims and \$10.8 million in rebates due from pharmaceutical companies; unpaid claims at end of 2011 is the net of \$3.9 million in unpaid claims and \$10.0 million in rebates due from pharmaceutical companies.

OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLANS ADMINISTERED BY THE DEPARTMENT OF EMPLOYEE TRUST FUNDS

The Department administers five OPEB plans: the Duty Disability Insurance Fund, the State Retiree Life Insurance Fund, the Local Government Retiree Life Insurance Fund, the State Retiree Health Insurance Fund and the Local Government Retiree Health Insurance Fund. The Retiree Health Insurance Funds contain certain non-OPEB components relating to post-Medicare pharmacy and health insurance benefits.

PLAN DESCRIPTIONS

DUTY DISABILITY FUND

The Duty Disability Insurance Fund is a cost-sharing multiple-employer defined benefit OPEB plan. The plan offers special disability insurance for State of Wisconsin and local WRS participants in protective occupations. The plan is self-insured, and risk is shared between the State of Wisconsin and local government employers in the plan. The plan is administered under Wis. Stat. § 40.65. The plan is reported as an "other employee benefit trust fund".



Membership

Participation in the program is mandatory for all WRS employers with protective occupation employees. The State of Wisconsin and 501 local government employers participate. Membership as of December 31, 2012 consisted of:

Disabled members and beneficiaries receiving benefits	973
Active plan members	<u>22,144</u>
Total plan members	<u>23,117</u>

Contributions

Contributions are actuarially determined in accordance with Wis. Stats. § 40.05 (2) (ar). All contributions are employer-paid based on a graduated, experience-rated formula. During 2012 contribution rates ranged from 1.9% to 8.6% of covered payroll based on employer experience.

Description of Benefits

Eligibility: Duty-related injury or disease that is likely to be permanent, which causes a protective occupation participant to retire, accept reduced pay or light duty assignment, or in some cases, that impairs promotional opportunities.

Amount: 80% of salary (75% if not a State of Wisconsin employee), less the following offsets:

- Social Security
- Unemployment Compensation
- Worker’s Compensation
- Any other WRS benefit
- All earnings from the employer under which the disability occurred
- A percent of other earnings as follows:
 - 1/3 of earnings less than 40% of monthly salary
 - 1/2 of earnings between 40% and 80% of monthly salary
 - 2/3 of earnings over 80% of monthly salary

Survivor Benefit: All survivor benefits are offset by any Worker’s Compensation death benefits.

- For applications filed **prior** to May 3, 1988, benefits are based on the following:

- 1/3 of the participant’s monthly salary at time of death to surviving spouse, plus
 - \$15/month to each unmarried child under the age of 18
 - Not to exceed 65% of participant’s monthly salary at time of death
- For applications filed on or **after** May 3, 1988 benefits are based on the following:

Local employees:

- 1/2 of the participant’s monthly salary at time of death to surviving spouse or domestic partner, less other income sources that are based on the participant’s earnings record
- 1/10 of the participant’s monthly salary at time of death to each unmarried child under the age of 18
- Not to exceed 70% of participant’s monthly salary at time of death

State employees:

- 1/3 of the participant’s monthly salary at time of death to surviving spouse or domestic partner, plus
- \$15/month to each unmarried child under the age of 18
- Not to exceed 65% of participant’s monthly salary at time of death
- For applications received on or after May 12, 1998 in which the protective occupation participant dies as a result of a disease covered under the Cancer Presumptive Law, benefits are based on the following:
 - 70% of the participant’s monthly salary at time of death to surviving spouse or domestic partner, less other income sources that are based on the participant’s earnings record
 - 1/10 of the participant’s monthly salary at time of death to the guardian of any minor child, as long as there is no surviving spouse
 - There is no maximum

Annual Increases:

- To age 60: In accordance with WRS salary index.
- After age 60: In accordance with WRS dividend increases (so long as the claimant is not also receiving a disability retirement benefit).



RETIREE LIFE INSURANCE FUNDS

The State Retiree Life Insurance Fund and the Local Government Retiree Life Insurance Fund are cost-sharing multiple-employer defined benefit OPEB plans. The State of Wisconsin and 714 local government employers currently participate. The plans provide post-employment life insurance coverage to all eligible employees of participating employers. The plans are administered under Wis. Stats. § 40.70. The plans are reported as other employee benefit trust funds.

Membership

Eligibility: Generally, members may enroll during a 30-day enrollment period once they satisfy a six-month waiting period. They may enroll after the initial 30-day enrollment period with evidence of insurability. Members under evidence of insurability enrollment must enroll in group life insurance coverage before age 55 to be eligible for Basic or Supplemental coverage.

Membership as of December 31, 2012, included:

	State	Local	Total
Active*	49,074	72,491	121,565
Pre-Age 65 Annuitants	7,699	11,372	19,071
Post-Age 64 Annuitants	<u>18,921</u>	<u>25,573</u>	<u>44,494</u>
Totals	75,694	109,436	185,130

*Active members include disabled.

CONTRIBUTIONS

Employers are required to pay the following contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions for pre-65 annuitant coverage. All contributions are actuarially determined.

	State	Local
50% Post Retirement Coverage	28% of employee premium	40% of employee premium
25% Post Retirement Coverage	n/a	20% of employee premium

Reserves

Active member and retiree plan reserves are commingled for investment and administrative purposes. Effective January 1, 2008, assets were permanently split between the active member and OPEB plans.

Description of Benefits

Eligibility: At retirement, the member must have active group life insurance coverage and satisfy one of the following:

- WRS coverage prior to January 1, 1989, or
- At least one month of group life insurance coverage in each of five calendar years after 1989 and one of the following:
 - Eligible for an immediate WRS benefit, or
 - At least 20 years from their WRS creditable service as of January 1, 1990, plus their years of group life insurance coverage after 1989, or
 - At least 20 years on the payroll of their last employer.

In addition, terminating members and retirees must continue to pay the employee premiums until age 65 (age 70 if active).

Basic Coverage Benefits: After retirement, basic coverage is continued for life in these amounts of the insurance in force before retirement:

Age	% of Basic Coverage Continuing	
	State	Local
Before age 65	100%	100%
While age 65	75%	75%
While age 66	50%	50%
After age 66	50%	50% / 25% employer election

Supplemental Coverage Benefits: After retirement, Supplemental coverage may be continued until age 65 at 100% of the amount of the insurance in force before retirement at the employee's expense.

Additional Coverage Benefits: After retirement, Additional coverage may be continued until age 65 at 100% of the amount of the insurance in force before retirement at the employee's expense.

Spouse and Dependent Coverage Benefits: After retirement, the coverage is terminated.



METHOD USED TO VALUE INVESTMENTS

Investments for the Retiree Life Insurance Funds are held with the insurance carrier (the Company). Each Retiree Life Insurance Fund's investment is a share in the Company's investment pool.

Fixed maturity securities, which may be sold prior to maturity, including fixed maturities on loan, are classified as available-for-sale and are carried at fair value. Premiums and discounts are amortized or accreted over the estimated lives of the securities based on the interest yield method.

The Company uses book value as cost for applying the retrospective adjustment method to loan-backed fixed maturity securities purchased. Prepayment assumptions for single-class and multi-class mortgage-backed securities were obtained from broker/dealer survey values or internal estimates.

Marketable equity securities are classified as available-for-sale and are carried at fair value. Mutual funds and exchange traded fund investments in select asset classes that are sub-advised are carried at the fair value of the underlying Net Position of the funds.

Available-for-sale securities are stated at fair value.

Mortgage loans are carried at amortized cost less any valuation allowances. Premiums and discounts are amortized or accreted over the terms of the mortgage loans, based on the effective interest yield method. Impairments are determined by specific identification. A mortgage loan is considered impaired if it is probable that amounts due for principal and interest will not be collected in accordance with the contractual terms. Impaired mortgage loans are valued at the present value of expected future cash flows discounted at the loan's effective interest rate, or the fair value of the underlying collateral, if the loan is collateral dependent.

Private equity investments in limited partnerships are carried at the amount invested, adjusted to recognize the Company's ownership share of the earnings or losses of the investee after the date of the acquisition,

adjusted for any distributions received (equity method accounting).

Investments in partnerships that represent minority interests owned in certain general agencies are carried at the amount invested, adjusted to recognize the Company's ownership share of the earnings or losses of the investee after acquisition, adjusted for any distributions received (equity method accounting).

Fair values of fixed maturity securities are based on quoted market prices, where available. Fair values of marketable equity securities are based on quoted market prices. Fair values of private equity investments are obtained from the financial statement valuations of the underlying fund or independent broker bids. For fixed maturity securities not based on quoted market prices, generally private placement securities, securities that do not trade regularly, and embedded derivatives, an internally developed pricing model using a commercial software application is most often used. The internally-developed pricing model is developed by obtaining spreads versus the U.S. Treasury yield for corporate securities with varying weighted average lives and bond ratings.

Real estate is carried at cost, less accumulated depreciation and an allowance for estimated losses.

The Company's derivative instrument holdings are carried at fair value. All derivatives are recorded as non-hedge transactions. Derivative instrument fair values are based on quoted market prices or dealer quotes. If a quoted market price is not available, fair value is estimated using current market assumptions and modeling techniques, which are then compared with quotes from counterparties.

For mortgage-backed securities of high credit quality, excluding interest-only securities, the Company recognizes income using a constant effective yield method based on prepayment assumptions obtained from an outside service provider or upon analyst review of the underlying collateral and the estimated economic life of the securities.

For interest-only securities and mortgage-backed securities not of high credit quality, the Company recognizes



ognizes the excess of all cash flows, including estimated prepayments, attributable to the security estimated at the acquisition date over the initial investment using the effective yield method with adjustments made as a result of subsequent cash flow information recorded prospectively. If the fair value of the security has declined below its carrying amount, the Company will write the security down to fair value if the decline is deemed other-than-temporary.

Policy loans are carried at the unpaid principal balance.

Cash and cash equivalents are carried at cost, which approximates fair value. The Company considers all money market funds and commercial paper with original maturity dates of less than three months to be cash equivalents.

Finance receivables that management has the intent and ability to hold for the foreseeable future or until maturity or payoffs are reported at their outstanding unpaid principal balances reduced by any charge-offs.

The Company holds "To-Be-Announced" (TBA) Government National Mortgage Association forward contracts that require the Company to take delivery of a mortgage-backed security at a settlement date in the future. Most of the TBAs are settled at the first available period allowed under the contract. However, the deliveries of some of the Company's TBA securities happen at a later date, thus extending the forward contract date. These securities are reported at fair value as derivative instruments with the changes in fair value reported in net realized investment gains and losses on the consolidated statements of operations.

RETIREE HEALTH INSURANCE FUNDS

The State Retiree Health Insurance Fund and the Local Government Retiree Health Insurance Fund are agent multiple-employer defined benefit OPEB plans offering group health insurance to retired State of Wisconsin and local government employees. The Department and the Group Insurance Board (GIB) have statutory authority for program administration and oversight [Wis. Stats. §§ 15.165 (2) and 40.03 (6)]. The State of Wisconsin and 361 local govern-

ment employers currently participate in the plans. The plans are reported as agency funds.

Beginning in 2007, some employers must make additional disclosures related to their Retiree Health Insurance Plans, including the funding policy, the employer's annual OPEB cost and contributions made, the funded status and funding progress of the plan, and the actuarial methods and assumptions used. This information is available from the employer.

Membership: State of Wisconsin and local government employees participating in the State Health Insurance Plan or the Wisconsin Public Employers Insurance Plan (local government plans) are eligible to continue their health insurance coverage after leaving covered employment. Membership as of December 31, 2012, included 23,615 former state employees or their beneficiaries and 2,367 former local government employees and beneficiaries.

Description of Benefits: Employees may choose between self-insured health plans and alternate health plans with specific provider networks (i.e., HMOs). The HMOs follow GIB guidelines for eligibility and program requirements. All HMOs offer a prescribed benefit package called Uniform Benefits and participate in a yearly competitive premium rates bid process. The Standard Plan and State Maintenance Plan are self-insured by the GIB and administered by WPS Health Insurance. The Standard Plan is a preferred provider plan.

The pharmacy benefit is self-insured by the GIB and administered by Navitus Health Solutions. Effective January 1, 2012, prescription drug coverage for Medicare-eligible retirees enrolled in

the state's group health insurance program is provided by a self-funded Medicare Part D Employer Group Waiver Plan (EGWP). A Medicare "wrap" product is also included to provide full coverage to members, as required by Uniform Benefits, when they reach the Medicare coverage gap, also known as the "donut hole".

Contributions: Health Insurance premiums are actuarially determined or set by contract with the insurer.



FUNDED STATUS AND FUNDING PROGRESS – OPEB PLANS

The funded status of each plan as of the most recent actuarial valuation date is as follows (\$ in thousands):

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(c) Unfunded Actuarial Accrued Liability (UAAL) (b) - (a)	(d) Funded Ratio (a) / (b)	(e) Covered Payroll	(f) UAAL as Percentage of Covered Payroll (c) / (e)
Duty Disability Insurance January 1, 2012	\$449,177	\$476,979	\$27,802	94.2%	\$1,285,854	2.2%
State Life Insurance January 1, 2012	363,778	509,315	145,537	71.4%	2,869,087	5.1%
Local Life Insurance January 1, 2012	231,695	326,280	94,585	71.0%	3,813,576	2.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially-determined amounts are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The accompanying schedules of employer contributions, included in the required supplementary information at the end of the notes, present trend information about the amounts contributed to the plan by employers in comparison to the Annual Required Contribution (ARC), an amount that is actuarially-determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Additional information as of the latest actuarial valuations follows:

	Duty Disability Insurance	State Life Insurance	Local Life Insurance
Valuation Date	1/1/2012	1/1/2012	1/1/2012
Actuarial Cost Method	Projected Unit Credit	Entry Age Normal	Entry Age Normal
Amortization Method	Closed level percentage of pay	Closed level percentage of pay	Closed level percentage of pay
Remaining Amortization Period	UAAL – 8 years Future gains & losses – 15 years	UAAL – 30 years Future gains & losses – 15 years	UAAL – 30 years Future gains & losses – 15 years
Asset valuation method	5 year smoothed market	Market value	Market value
Actuarial Assumptions:			
Investment Return	7.2%	4.65% through 2027 5.75% for 2028 and beyond	4.65% through 2027 5.75% for 2028 and beyond
Payroll Growth	3.2%	3.2%	3.2%



10 MILWAUKEE RETIREMENT SYSTEM

The Milwaukee Retirement System (MRS), consisting of two funds within the Milwaukee Public Schools Retirement System, is reported as an Investment Trust Fund. MRS provides assets to the Department for investing in the Core and Variable Funds, described in the Investments section of Note 1. The Core and Variable Funds are managed by the State of Wisconsin Investment Board (SWIB) with oversight by a board of trustees as authorized in Wis. Stat. § 25.17. SWIB is not registered with the Securities and Exchange Commission as an investment company. Participation of the MRS in the Core and Variable Funds is described in the Wisconsin Administrative Code, § ETF 10.12. Monthly, the Department distributes pro-rata shares of total Core Fund and total Variable Fund earnings, less administrative expenses to the MRS accounts. The MRS accounts are adjusted to fair value and gains/losses are recorded directly in the accounts per Wisconsin Administrative Code, § ETF 10.12 (2).

No state statute, legal provision, or legally-binding guarantee exists to support the value of shares. At December 31, 2012, the Core and Variable Funds held \$84.6 billion in investment related accounts, of which \$3.6 billion is classified as cash equivalents. In addition, the Core and Variable Funds held \$1.2 billion of securities lending collateral.

Summary information by investment classification in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, for the Core and Variable Funds at December 31, 2012, is presented in Note 3. Condensed financial data for the Core and Variable Funds for the year ended December 31, 2012, is presented on the next page (\$ in thousands):



**CORE AND VARIABLE RETIREMENT INVESTMENT TRUSTS
CONDENSED STATEMENTS OF NET POSITION
as of December 31, 2012**

Assets:	Core	Variable	Short Sales Adjustment*	Combined
Cash & Cash Equivalents	\$ 3,319,904	\$ 312,586		\$ 3,632,490
Securities Lending Collateral	1,088,301	155,342		1,243,643
Prepaid Items	23,045	900		23,945
Investment Receivables	624,375	25,112		649,487
Investments, at Fair value	<u>76,028,573</u>	<u>5,494,487</u>	(443)	<u>81,522,617</u>
Total Assets	<u>81,084,198</u>	<u>5,988,427</u>	(443)	<u>87,072,182</u>
Liabilities:				
Securities Lending Collateral Liability	1,088,301	155,342		1,243,643
Obligations Under Reverse Repurchase Agreement	996,024			996,024
Short Sell Obligations	36,763	3,777	(443)	40,097
Collateral Due to Counterparty	1,340			1,340
Investment Payables	<u>127,570</u>	<u>19,093</u>		<u>146,663</u>
Total Liabilities	<u>2,249,998</u>	<u>178,212</u>	(443)	<u>2,427,767</u>
Net Position Held in Trust for:				
Internal Investment Pool Participants	78,865,173	5,791,047		84,476,220
Milwaukee Retirement Systems	<u>149,027</u>	<u>19,168</u>	0	<u>168,195</u>
Total	<u>\$ 78,834,200</u>	<u>\$ 5,810,215</u>	<u>0</u>	<u>\$ 84,644,415</u>

* This adjustment removes the impact of inter-fund short sales where the shorted position is held in the other Retirement Investment Trust Fund (i.e., SWIB is short a security in the Core Fund but long the same position in the Variable Fund, or vice-versa).

**CORE AND VARIABLE RETIREMENT INVESTMENT TRUSTS
CONDENSED STATEMENTS OF CHANGES IN NET POSITION
For the Year Ended December 31, 2012**

	Core	Variable	Combined
Additions:			
Net Appreciation (Depreciation) in Fair Value of Investments	\$ 7,833,902	722,640	8,556,542
Interest	681,717	312	682,029
Dividends	1,013,415	128,425	1,141,840
Securities Lending Income	24,358	2,478	26,836
Other	<u>149,406</u>	<u>0</u>	<u>149,406</u>
Total Additions	<u>9,702,798</u>	<u>853,855</u>	<u>10,556,653</u>
Deductions:			
Investment Expense	284,560	6,048	290,608
Securities Lending Rebates and Fees	2,084	209	2,293
Net Withdrawals by Pool Participants	<u>2,545,632</u>	<u>232,580</u>	<u>2,778,212</u>
Total Deductions	<u>2,832,276</u>	<u>238,837</u>	<u>3,071,113</u>
Net Increase (Decrease)	6,870,522	615,018	7,485,540
Net Position Held in Trust for Pool Participants			
Beginning of Year	71,963,678	5,195,197	77,158,875
End of Year	<u>\$ 78,834,200</u>	<u>\$ 5,810,215</u>	<u>\$ 84,644,415</u>



11 CONTINGENCIES, UNUSUAL EVENTS, AND SUBSEQUENT EVENTS

LOSS CONTINGENCY

On September 5, 2008, the Internal Revenue Service (IRS) provided SWIB with a *Notice of Transferee Liability*. This claim seeks taxes, penalties and interest relating to the sale of Shockley Communications Corporation (SCC) stock in 2001.

SWIB is classified as a tax exempt entity by the IRS. However, the IRS asserts that the shareholders' sale of SCC stock in 2001 should have been characterized as a sale of assets by SCC, on which SCC should have paid income taxes. Based on the theory of transferee liability, the IRS asserts that the former SCC shareholders, including SWIB, would be liable for those taxes, plus penalties and interest. Transferee liability is limited to the amount actually received by the putative transferee, plus interest. As a result, SWIB's potential liability, as a putative transferee of SCC assets, is estimated to be \$46.2 million, including taxes, interest and potential penalties as of June 30, 2013.

SWIB is aggressively contesting the IRS' assertions of SWIB's tax liability. Furthermore, SWIB believes that the loss, if any, resulting from the claim will not have a material impact on SWIB's net investment assets or net income in future years. As such, SWIB has not recognized a loss relating to this matter in the current year, nor does it appear as a contingent liability in the *Statement of Fiduciary Net Position*.



REQUIRED SUPPLEMENTARY INFORMATION

PUBLIC ENTITY RISK POOLS

Claims Development Information

The tables on the following pages illustrate how the funds' earned revenues and investment income compare to related costs of loss and other expenses assumed by the funds as of the end of each of the last ten years. The rows of the tables are defined as follows:

1. Net Earned Required Contribution and Investment Revenues. Shows the total of each calendar year's earned contribution revenues and investment revenues.
2. Unallocated Expenses. Shows each calendar year's other operating costs of the fund, including overhead and claims expense not allocable to individual claims.
3. Estimated Incurred Claims as of the End of the Policy Year. Shows the fund's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
4. Paid Cumulative as of Year-End. Shows the cumulative amounts paid as of the end of successive years for each policy year.
5. Re-estimated Incurred Claims. Shows how each policy years incurred claims increased or decreased as of the end of successive policy years. This annual re-estimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
6. Increase (Decrease) in Estimated Incurred Claims from End of Policy Year. Compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the tables show data for successive policy years.



**Public Entity Risk Pools
Required Supplementary Information
Pharmacy Benefit Claims Development Information
(\$ Millions)**

	2003	2004**	2005	2006***	2007	2008	2009	2010	2011	2012
1. Net earned required contribution and investment revenues	0.0	205.7	191.6	164.7	170.0	138.8	155.5	178.9	169.9	153.7
2. Unallocated expenses	0.0	7.6	9.5	7.4	8.4	8.8	6.4	8.7	6.4	8
3. Estimated incurred claims as of the end of the policy year	0.0	158.1	160.6	110.1	116.9	124.0	134.8	148.4	144.6	141.3
4. Paid (cumulative) as of: *										
End of Policy Year	0.0	162.4	168.8	116.8	118.0	126.3	139.1	155.8	150.7	134.2
One Year Later	0.0	159.8	159.6	111.0	119.4	123.9	134.1	147.3	145.1	
Two Years Later	0.0	159.8	159.6	111.0	119.4	123.9	134.1	147.3		
Three Years Later	0.0	159.8	159.6	111.0	119.4	123.9	134.1			
Four Years Later	0.0	159.8	159.6	111.0	119.4	123.9				
Five Years Later	0.0	159.8	159.6	111.0	119.4					
Six Years Later	0.0	159.8	159.6	111.0						
Seven Years Later	0.0	159.8	159.6							
Eight Years Later	0.0	159.8								
Nine Years Later	0.0									
5. Reestimated incurred claims:										
End of Policy Year	0.0	158.1	160.6	110.1	116.9	124.0	134.8	148.4	144.6	141.3
One Year Later	0.0	159.8	159.6	111.0	119.4	123.9	134.1	147.3	145.1	
Two Years Later	0.0	159.8	159.6	111.0	119.4	123.9	134.1	147.3		
Three Years Later	0.0	159.8	159.6	111.0	119.4	123.9	134.1			
Four Years Later	0.0	159.8	159.6	111.0	119.4	123.9				
Five Years Later	0.0	159.8	159.6	111.0	119.4					
Six Years Later	0.0	159.8	159.6	111.0						
Seven Years Later	0.0	159.8	159.6							
Eight Years Later	0.0	159.8								
Nine Years Later	0.0									
6. Increase (decrease) in estimated incurred claims from end of policy year	0.0	1.7	(1.0)	0.9	2.5	(0.1)	(0.7)	(1.1)	0.5	0.0

* Paid claims include payments expected to be reimbursed as rebate payments from participating pharmaceutical companies. Incurred claims are presented net of anticipated rebates.

** The pharmacy benefit plan began operation in 2004. No data is available for prior years.

*** Starting in 2006, in accordance with GASB Statement #43, retiree health is reported separately in an agency fund and is not included with the active health information in this table.



**Public Entity Risk Pools
Required Supplementary Information
Health Insurance Claims Development Information
(\$ Millions)**

	2003	2004	2005	2006*	2007	2008	2009	2010	2011	2012
1 Net earned required contribution and investment revenues	85.1	90.4	90.9	82.9	42.1	22.5	41.5	36.6	27.9	33.1
2 Unallocated expenses	5.7	6.8	7.7	4.9	3.4	5.3	5.0	5.4	6.2	5.5
3 Estimated incurred claims as of the end of the policy year	73.2	74.6	73.6	60.1	23.7	30.5	25.9	24.0	21.4	17.7
4 Paid (cumulative) as of:										
End of Policy Year	65.1	65.2	65.8	51.8	20.3	25.7	21.6	20.5	18.7	15.1
One Year Later	73.4	72.2	73.6	58.3	23.5	28.3	23.4	22.6	20.7	
Two Years Later	73.7	72.3	73.7	58.2	23.5	28.2	23.5	22.6		
Three Years Later	73.7	72.3	73.7	58.2	23.5	28.2	23.5			
Four Years Later	73.7	72.3	73.7	58.2	23.5	28.2				
Five Years Later	73.7	72.3	73.7	58.2	23.5					
Six Years Later	73.7	72.3	73.7	58.2						
Seven Years Later	73.7	72.3	73.7							
Eight Years Later	73.7	72.3								
Nine Years Later	73.7									
5 Reestimated incurred claims:										
End of Policy Year	73.2	74.6	73.6	60.1	23.7	30.5	25.9	24.0	21.4	17.7
One Year Later	73.5	72.2	73.7	58.4	23.6	28.3	23.5	22.6	20.7	
Two Years Later	73.7	72.3	73.7	58.2	23.5	28.2	23.5	22.6		
Three Years Later	73.7	72.3	73.7	58.2	23.5	28.2	23.5			
Four Years Later	73.7	72.3	73.7	58.2	23.5	28.2				
Five Years Later	73.7	72.3	73.7	58.2	23.5					
Six Years Later	73.7	72.3	73.7	58.2						
Seven Years Later	73.7	72.3	73.7							
Eight Years Later	73.7	72.3								
Nine Years Later	73.7									
6 Increase (decrease) in estimated incurred claims from end of policy year	0.5	(2.3)	0.1	(1.9)	(0.2)	(2.3)	(2.4)	(1.4)	(0.7)	0.0

* Starting in 2006, in accordance with GASB Statement #43, retiree health is reported separately in an agency fund and is not included with the active health information in this table.



**Public Entity Risk Pools
Required Supplementary Information
Income Continuation Insurance Claims Development Information
(\$ Millions)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1 Net earned required contribution and investment revenues	25.5	20.5	17.9	24.4	20.5	(9.1)	28.8	25.0	16.6	25.0
2 Unallocated expenses	1.9	2.1	2.1	2.4	2.4	2.4	1.8	2.0	2.3	1.9
3 Estimated incurred claims as of the end of the policy year	23.4	29.2	31.6	29.1	27.4	22.4	33.4	34.3	42.4	33.4
4 Paid (cumulative) as of:										
End of Policy Year	4.5	4.5	5.1	4.4	2.5	5.1	5.5	6.0	6.7	5.9
One Year Later	8.8	9.7	12.9	9.3	6.8	9.2	9.7	11.0	11.9	
Two Years Later	10.5	11.9	17.0	10.4	7.8	10.0	10.8	12.2		
Three Years Later	11.7	13.1	18.1	11.2	8.6	10.6	11.7			
Four Years Later	12.3	13.6	18.8	11.7	9.3	11.1				
Five Years Later	12.6	14.1	19.5	12.2	10.0					
Six Years Later	13.0	14.6	20.2	12.7						
Seven Years Later	13.3	15.1	20.8							
Eight Years Later	13.6	15.5								
Nine Years Later	13.9									
5 Reestimated incurred claims:										
End of Policy Year	23.4	29.2	31.6	29.1	27.4	22.4	33.4	34.3	42.4	33.4
One Year Later	17.0	20.5	25.1	16.7	22.5	15.8	17.5	23.0	22.3	
Two Years Later	16.6	21.1	25.9	17.8	13.4	15.3	17.5	20.1		
Three Years Later	17.1	19.7	27.0	16.8	13.9	14.7	17.7			
Four Years Later	15.8	20.2	24.7	16.0	13.9	14.5				
Five Years Later	16.0	18.5	24.4	16.1	14.3					
Six Years Later	15.6	18.5	24.8	16.3						
Seven Years Later	15.5	18.2	24.7							
Eight Years Later	15.8	18.6								
Nine Years Later	16.0									
6 Increase (decrease) in estimated incurred claims from end of policy year	(7.4)	(10.6)	(6.9)	(12.8)	(13.1)	(7.9)	(15.7)	(14.2)	(20.1)	0.0



Public Entity Risk Pools
Required Supplementary Information
Long Term Disability Insurance Claims Development Information
(\$ Millions)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1 Net earned required contribution and investment revenues	52.5	33.4	24.1	47.3	27.8	(88.3)	49.3	29.8	3.0	29.9
2 Unallocated expenses	0.7	1.1	1.0	1.1	1.4	1.3	2.2	2.0	2.1	2.4
3 Estimated incurred claims and expense as of the end of the policy year	15.9	19.4	30.6	34.6	48.3	31.1	50.2	54.2	43.5	52.0
4 Paid (cumulative) as of:										
End of Policy Year	0.3	0.1	0.7	1.1	1.4	1.1	1.7	1.9	1.9	2.5
One Year Later	1.6	1.9	2.8	3.5	5.8	5.7	7.0	7.6	8.6	
Two Years Later	3.9	3.9	5.4	6.8	9.4	9.4	11.3	12.5		
Three Years Later	6.0	6.4	8.0	9.9	12.6	12.7	15.2			
Four Years Later	8.5	8.0	10.3	12.7	15.5	15.7				
Five Years Later	10.6	9.5	12.5	15.2	18.2					
Six Years Later	12.5	10.8	14.6	17.4						
Seven Years Later	14.2	12.0	16.5							
Eight Years Later	15.7	13.0								
Nine Years Later	17.0									
5 Reestimated incurred claims and expense as of the end of the policy year										
End of Policy Year	15.9	19.4	30.6	34.6	48.3	31.1	50.2	54.2	43.5	52.0
One Year Later	12.0	14.1	22.2	26.2	25.6	26.9	32.3	35.8	41.4	
Two Years Later	18.3	14.9	22.1	29.5	29.9	29.5	35.0	39.6		
Three Years Later	19.2	16.1	24.7	27.1	31.0	31.8	36.6			
Four Years Later	20.3	17.7	23.4	28.3	33.7	32.7				
Five Years Later	22.4	19.2	24.5	30.5	34.9					
Six Years Later	24.3	17.8	26.6	30.9						
Seven Years Later	21.3	18.7	26.4							
Eight Years Later	22.6	18.7								
Nine Years Later	22.7									
6 Increase (decrease) in estimated incurred claims from end of policy year	6.8	(0.7)	(4.2)	(3.7)	(13.4)	1.6	(13.6)	(14.6)	(2.1)	0.0



OTHER POST EMPLOYMENT BENEFITS REQUIRED SUPPLEMENTARY INFORMATION

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Other Post Employment Benefits Schedule of Funding Progress (Thousands \$)						
<u>Duty Disability Insurance</u>						
Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2006	222,692	427,089	204,397	52.1%	1,144,529	17.9%
January 1, 2008	311,778	471,668	159,890	66.1%	1,257,666	12.7%
January 1, 2010	373,048	512,785	139,737	72.7%	1,370,978	10.2%
January 1, 2011	412,988	499,034	86,046	82.8%	1,326,345	6.5%
January 1, 2012	449,177	476,979	27,802	94.2%	1,285,834	2.2%
<u>State Retiree Life Insurance</u>						
Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2006	314,116	337,341	23,225	93.1%	2,506,437	0.9%
January 1, 2008	329,822	382,392	52,570	86.3%	2,699,508	1.9%
January 1, 2010	349,425	408,781	59,356	85.5%	3,029,651	2.0%
January 1, 2012	363,778	509,315	145,537	71.4%	2,869,087	5.1%
<u>Local Retiree Life Insurance</u>						
Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2006	195,632	206,097	10,465	94.9%	3,310,064	0.3%
January 1, 2008	211,950	233,444	21,494	90.8%	3,556,913	0.6%
January 1, 2010	223,650	255,591	31,941	87.5%	3,864,159	0.8%
January 1, 2012	231,695	326,280	94,585	71.0%	3,813,576	2.5%

Other Post Employment Benefits Schedule of Employer Contributions (Thousands \$)			
<u>Duty Disability Insurance</u>			
Year Ended	(a) Annual Required Contribution	(b) Employer Contributions	(c) Percentage Contributed
December 31, 2006	44,397	44,566	100.4%
December 31, 2007	46,174	47,765	103.4%
December 31, 2008	47,684	50,574	106.1%
December 31, 2009	50,193	51,556	102.7%
December 31, 2010	53,181	51,864	97.5%
December 31, 2011	50,364	53,085	105.4%
December 31, 2012	48,377	53,032	109.6%
<u>State Retiree Life Insurance</u>			
Year Ended	(a) Annual Required Contribution	(b) Employer Contributions	(c) Percentage Contributed
December 31, 2006	12,222	1,235	10.1%
December 31, 2007	13,602	1,314	9.7%
December 31, 2008	14,786	1,405	9.5%
December 31, 2009	16,470	1,514	9.2%
December 31, 2010	16,949	1,569	9.3%
December 31, 2011	18,878	1,505	8.0%
December 31, 2012	24,866	1,205	4.8%
<u>Local Retiree Life Insurance</u>			
Year Ended	(a) Annual Required Contribution	(b) Employer Contributions	(c) Percentage Contributed
December 31, 2006	10,020	2,096	20.9%
December 31, 2007	11,065	1,733	15.7%
December 31, 2008	11,396	1,806	15.8%
December 31, 2009	12,636	1,906	15.1%
December 31, 2010	12,797	1,932	15.1%
December 31, 2011	14,192	1,893	13.3%
December 31, 2012	19,679	1,817	9.2%



Wisconsin Retirement System Schedule of Funding Progress

(Millions \$)

Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
December 31, 2003	62,685.3	63,211.7	526.4	99.2%	10,502.4	5.0%
December 31, 2004	66,209.4	66,622.3	412.9	99.4%	10,897.6	3.8%
December 31, 2005	68,615.1	68,987.5	372.5	99.5%	10,973.4	3.4%
December 31, 2006	73,415.3	73,735.8	320.5	99.6%	11,308.2	2.8%
December 31, 2007	79,791.9	80,079.7	287.8	99.6%	11,720.2	2.5%
December 31, 2008	77,159.4	77,412.0	252.6	99.7%	12,289.6	2.1%
December 31, 2009	78,911.3	79,104.6	193.3	99.8%	12,622.2	1.5%
December 31, 2010	80,626.9	80,758.8	131.9	99.8%	12,744.0	1.0%
December 31, 2011	78,940.0	79,039.3	99.3	99.9%	12,719.4	0.8%
December 31, 2012	78,613.0	78,682.7	69.7	99.9%	12,627.5	0.6%

(1) The Unfunded AAL in this schedule is the actuarially determined balance and may not agree with the Prior Service Contributions Receivable reported on the Statement of Net Position because of differences in when payments received after year end are recognized.

Schedule of Employer Contributions

(Millions \$)

Year Ended December 31,	Annual Required Contribution	Percentage Contributed**
2003	462.7	334.0% *
2004	497.6	121.0%
2005	535.6	108.0%
2006	569.0	104.0%
2007	614.0	105.0%
2008	644.8	105.0%
2009	645.6	108.0%
2010	686.7	108.0%
2011	781.1	100.0%
2012	826.1	100.0%

** Increase in employer contributions in 2003 was due to prepayment of UAAL in connection with Pension Obligation Bond issued by the state and various local government employers.

*** The Annual Required Contribution includes both the employers' required normal cost and their amortized UAAL payment. The percentage contributed may exceed 100.0% when actual UAAL payments exceed the required amortized UAAL payment. Previously published reports only included the required normal cost.



WISCONSIN RETIREMENT SYSTEM NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date:	December 31, 2012
Actuarial Cost Method:	Frozen Entry Age
Amortization Method:	Level Percent – Closed Amortization Period
Amortization Period:	30 Years closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)
Actuarial Assumptions	
Investment return:	7.2%
Discount rates:	pre-retirement 7.2%
	post-retirement 5.0%
Salary increases:	inflation 3.2%
	seniority/merit 0.2% - 5.8%
Post-retirement benefit adjustments:	2.1%*

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

The Department has changed how it discloses the discount rate to clarify how it has historically determined plan liabilities and contribution rates. Prior to retirement, liabilities are discounted using the investment return assumption, currently 7.2%. Post-retirement liabilities are discounted using the assumed benefit rate of 5.0%.



STATISTICS

**State of Wisconsin
Department of
Employee Trust Funds**



**Wisconsin Retirement System (WRS) Statistics
Active Participants by Employment Category**

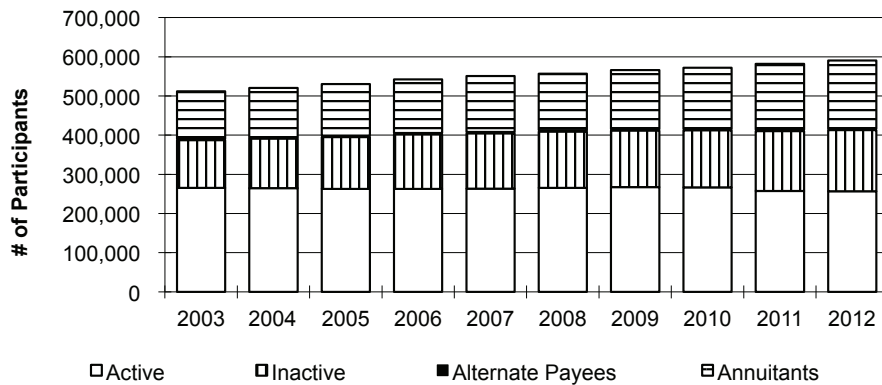
Year	General	Teachers	Executives & Elected Officials	Protective Occupations With Social Security	Protective Occupations Without Social Security	Totals
State Participants						
2003	43,257	18,909	689	8,176	0	71,031
2004	42,717	19,127	697	8,392	0	70,933
2005	41,911	19,044	695	8,356	0	70,006
2006	42,069	19,110	694	8,493	0	70,366
2007	42,379	19,331	694	8,758	0	71,162
2008	42,920	19,712	709	8,824	0	72,165
2009	42,814	20,002	709	8,890	0	72,415
2010	42,785	20,502	697	8,756	0	72,740
2011	41,136	20,184	717	8,354	0	70,391
2012	42,433	20,776	733	8,327	0	72,269
Local Participants						
2003	96,049	83,974	796	10,586	2,714	194,119
2004	96,104	83,411	782	10,660	2,710	193,667
2005	96,048	82,801	772	10,799	2,696	193,116
2006	95,716	82,392	760	10,922	2,700	192,490
2007	95,504	82,168	755	11,089	2,703	192,219
2008	96,273	82,520	744	11,292	2,727	193,556
2009	97,489	82,516	744	11,389	2,740	194,878
2010	97,175	81,866	733	11,354	2,761	193,889
2011	93,797	78,348	720	11,280	2,718	186,863
2012	92,122	77,938	687	11,083	2,734	184,564
Total Participants						
2003	139,306	102,883	1,485	18,762	2,714	265,150
2004	138,821	102,538	1,479	19,052	2,710	264,600
2005	137,959	101,845	1,467	19,155	2,696	263,122
2006	137,785	101,502	1,454	19,415	2,700	262,856
2007	137,883	101,499	1,449	19,847	2,703	263,381
2008	139,193	102,232	1,453	20,116	2,727	265,721
2009	140,303	102,518	1,453	20,279	2,740	267,293
2010	139,960	102,368	1,430	20,110	2,761	266,629
2011	134,933	98,532	1,437	19,634	2,718	257,254
2012	134,555	98,714	1,420	19,410	2,734	256,833



Total WRS Participants

Year	Active	Inactive	Alternate Payees	Annuitants	Total Participants
2003	265,150	121,902	3,391	121,582	512,025
2004	264,600	126,461	3,494	126,211	520,766
2005	263,122	132,145	3,599	131,674	530,540
2006	262,856	138,879	3,706	137,117	542,558
2007	263,381	141,002	3,769	142,906	551,058
2008	265,721	143,471	3,837	144,033	557,062
2009	267,293	144,424	3,929	150,671	566,317
2010	266,629	145,803	4,012	155,775	572,219
2011	257,254	153,123	4,063	167,453	581,893
2012	256,833	155,887	4,086	173,655	590,461

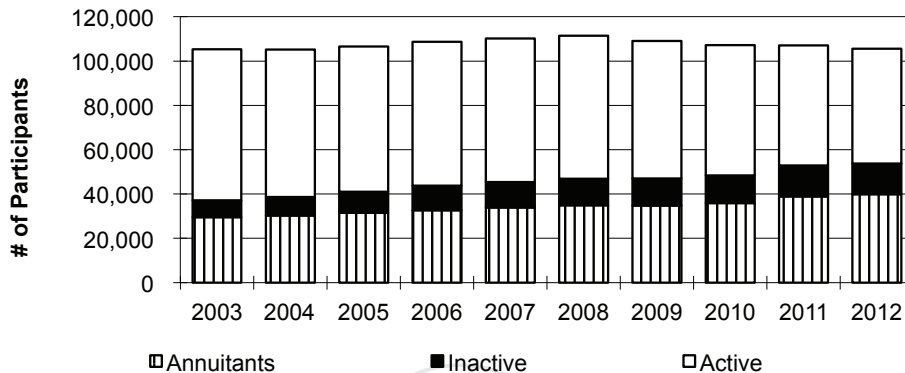
Total WRS Participants



WRS Participants with Variable Elections

Year	Active	Inactive	Annuitants	Totals
2003	68,246	7,611	29,496	105,353
2004	66,501	8,426	30,270	105,197
2005	65,644	9,468	31,499	106,611
2006	64,927	11,115	32,683	108,725
2007	64,674	11,563	33,880	110,117
2008	64,420	12,025	34,927	111,372
2009	62,032	12,169	34,836	109,037
2010	58,781	12,519	35,866	107,166
2011	54,273	13,889	38,949	107,111
2012	51,771	13,858	39,873	105,502

WRS Participants with Variable Elections

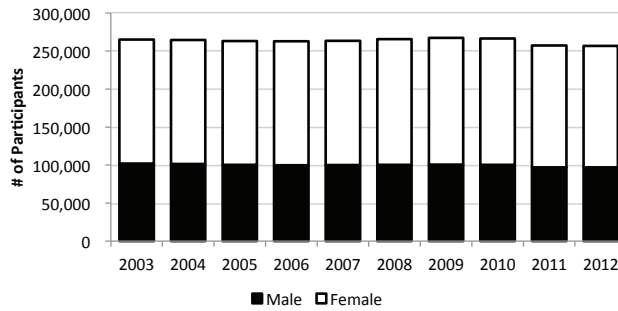




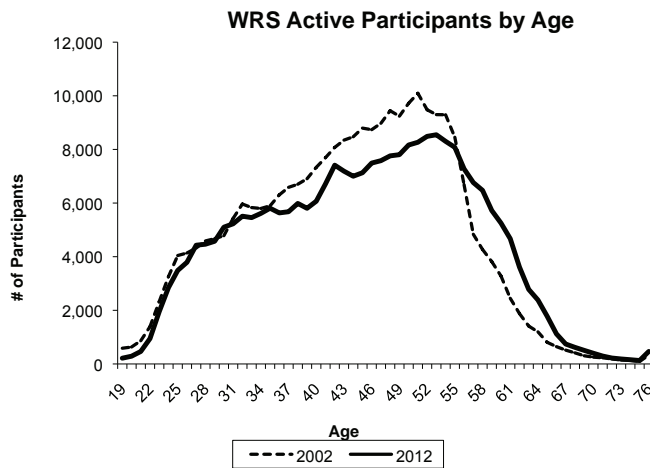
Active WRS Participants by Gender

Year	Teachers		Protective Occupations		All Other Participants		Totals	
	Male	Female	Male	Female	Male	Female	Male	Female
2003	34,085	68,838	17,654	3,822	50,214	90,537	101,953	163,197
2004	33,699	68,877	17,873	3,889	49,835	90,427	101,407	163,193
2005	33,085	68,793	17,936	3,915	49,301	90,092	100,322	162,800
2006	32,650	68,887	18,146	3,969	49,157	90,047	99,953	162,903
2007	32,348	69,183	18,497	4,053	49,199	90,101	100,044	163,337
2008	32,256	69,976	18,715	4,128	49,535	91,111	100,506	165,215
2009	32,228	70,290	18,862	4,157	49,542	92,214	100,632	166,661
2010	32,155	70,213	18,744	4,127	49,563	91,827	100,462	166,167
2011	30,784	67,748	18,374	3,978	47,829	88,541	96,987	160,267
2012	30,983	67,761	18,278	3,866	47,836	88,109	97,097	159,736

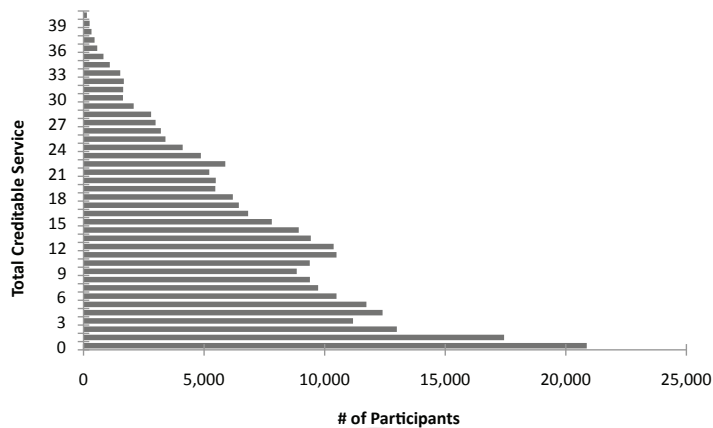
Active WRS Participants by Gender



WRS Active Participants by Age



Active Participants by Creditable Service





**WRS Covered Payroll by Employer Type
(\$ in millions)**

Year	Local Employers							Totals
	School Districts	Counties	Cities	Technical Colleges	Villages	Towns	Special Districts	
2003	4,237	1,325	1,027	450	160	50	99	7,349
2004	4,328	1,375	1,054	469	167	53	107	7,554
2005	4,405	1,398	1,078	483	182	51	112	7,709
2006	4,517	1,424	1,106	498	190	53	116	7,904
2007	4,625	1,462	1,148	520	202	56	119	8,131
2008	4,802	1,511	1,194	547	215	58	134	8,461
2009	4,959	1,553	1,241	579	223	60	156	8,771
2010	5,037	1,530	1,229	596	225	60	165	8,842
2011	5,006	1,537	1,236	607	227	63	171	8,847
2012	4,906	1,526	1,227	611	228	66	177	8,740

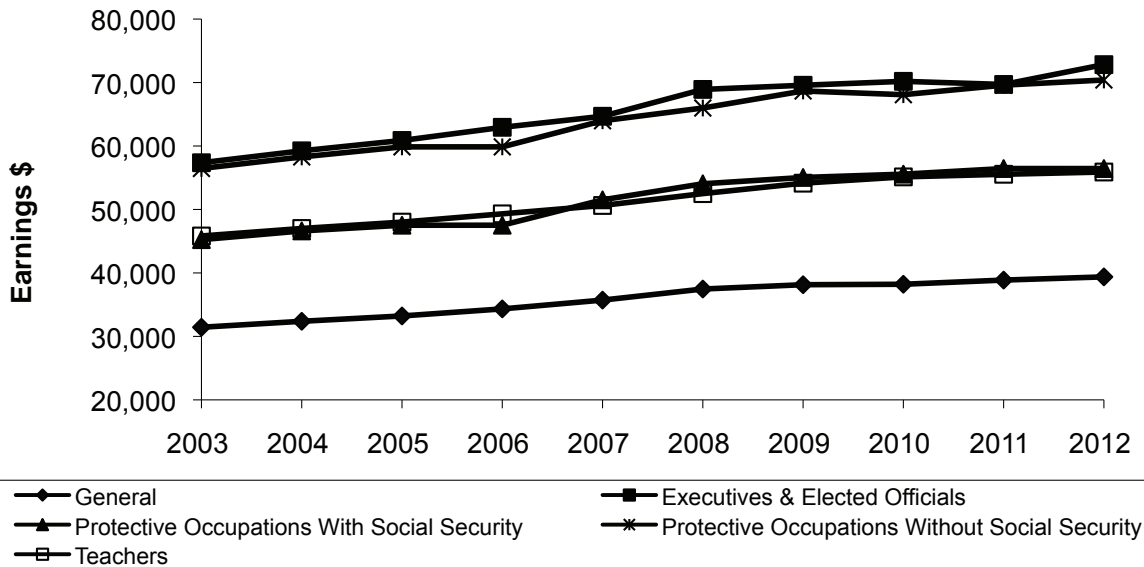
Year	State Government			Totals All Employers
	State Agencies	University	Totals	
2003	1,748	1,405	3,153	10,502
2004	1,777	1,429	3,206	10,760
2005	1,807	1,457	3,264	10,973
2006	1,903	1,501	3,404	11,308
2007	2,019	1,570	3,589	11,720
2008	2,178	1,651	3,829	12,290
2009	2,161	1,690	3,851	12,622
2010	2,169	1,732	3,902	12,744
2011	2,126	1,746	3,872	12,719
2012	2,137	1,751	3,888	12,628

**WRS Covered Payroll by Employment Category
(\$ in millions)**

Year	General Employees	Teachers	Executives & Elected Officials	Protective Occupations with Social Security	Protective Occupations without Social Security	Totals
2004	4,625	4,981	90	903	160	10,760
2005	4,728	5,061	92	928	164	10,973
2006	4,879	5,181	94	985	169	11,308
2007	5,080	5,326	97	1,042	176	11,720
2008	5,367	5,534	102	1,105	182	12,290
2009	5,492	5,704	104	1,132	190	12,622
2010	5,504	5,809	105	1,136	190	12,744
2011	5,485	5,797	105	1,139	193	12,719
2012	5,496	5,707	107	1,122	196	12,628

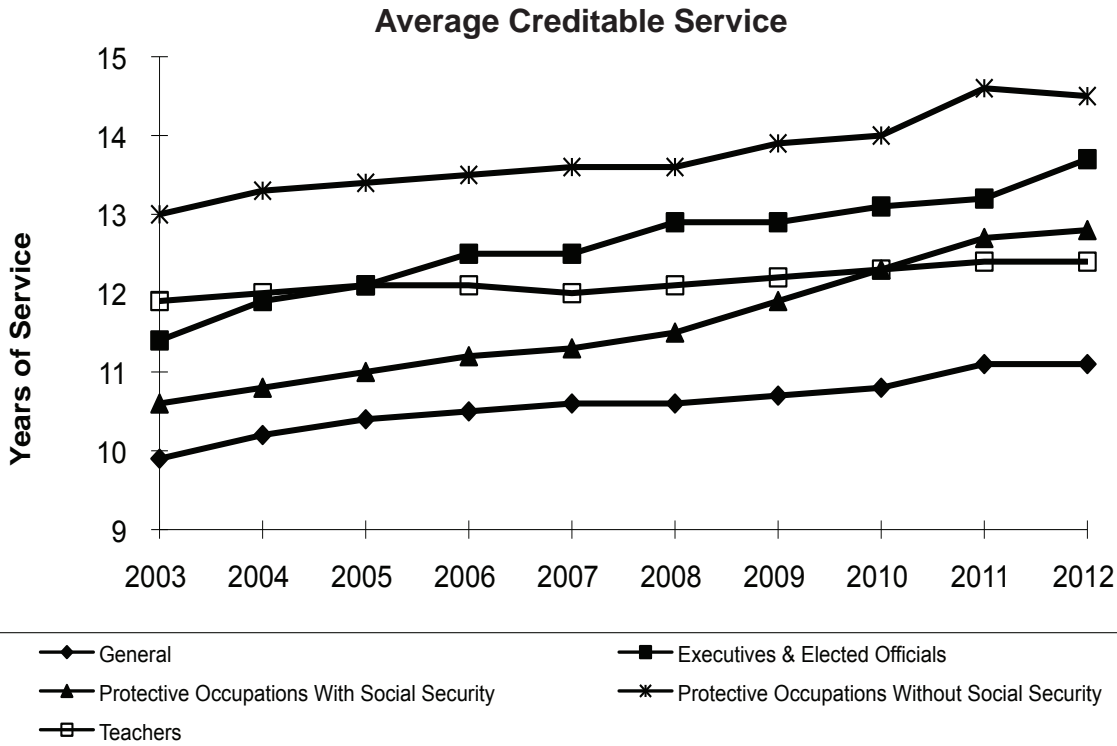


Average Annual Earnings



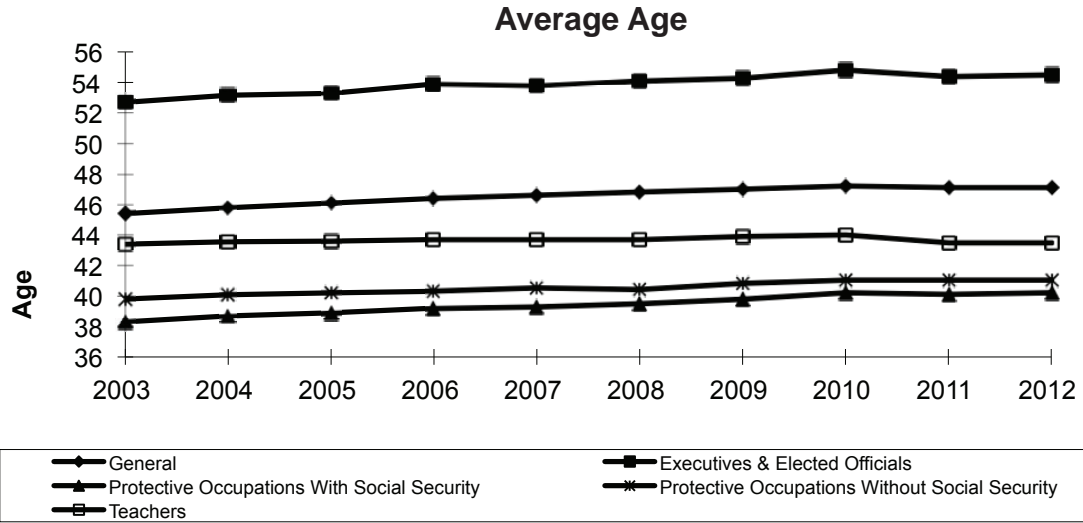
Average Annual Earnings

Year	General	Teachers	Executives & Elected Officials	Protective Occupations With Social Security	Protective Occupations Without Social Security	Average
2003	31,442	45,825	57,365	45,246	56,463	38,401
2004	32,381	47,006	59,242	46,619	58,280	39,489
2005	33,222	48,009	60,874	47,518	59,865	40,413
2006	34,335	49,312	62,945	47,519	59,866	41,513
2007	35,721	50,631	64,686	51,520	63,975	43,107
2008	37,465	52,498	68,917	54,051	65,987	44,969
2009	38,145	54,143	69,572	55,045	68,671	46,047
2010	38,216	55,135	70,191	55,564	68,087	46,501
2011	38,874	55,546	69,699	56,451	69,590	47,098
2012	39,379	55,902	72,824	56,448	70,402	47,535



Average Creditable Service

Year	General	Teachers	Executives & Elected Officials	Protective Occupations With Social Security	Protective Occupations Without Social Security	Average
2003	9.9	11.9	11.4	10.6	13.0	10.8
2004	10.2	12.0	11.9	10.8	13.3	11.0
2005	10.4	12.1	12.1	11.0	13.4	11.1
2006	10.5	12.1	12.5	11.2	13.5	11.2
2007	10.6	12.0	12.5	11.3	13.6	11.3
2008	10.6	12.1	12.9	11.5	13.6	11.3
2009	10.7	12.2	12.9	11.9	13.9	11.3
2010	10.8	12.3	13.1	12.3	14.0	11.5
2011	11.1	12.4	13.2	12.7	14.6	11.8
2012	11.1	12.4	13.7	12.8	14.5	11.8



Average Age

Year	General	Teachers	Executives & Elected Officials	Protective Occupations With Social Security	Protective Occupations Without Social Security	Average
2003	45.4	43.4	52.7	38.3	39.8	44.1
2004	45.8	43.6	53.2	38.7	40.1	44.4
2005	46.1	43.6	53.3	38.9	40.2	44.6
2006	46.4	43.7	53.9	39.2	40.3	44.8
2007	46.6	43.7	53.8	39.3	40.5	44.9
2008	46.8	43.7	54.1	39.5	40.4	45.0
2009	47.0	43.9	54.3	39.8	40.8	44.9
2010	47.2	44.0	54.8	40.2	41.0	45.4
2011	47.1	43.5	54.4	40.1	41.0	45.2
2012	47.1	43.5	54.5	40.2	41.0	45.2



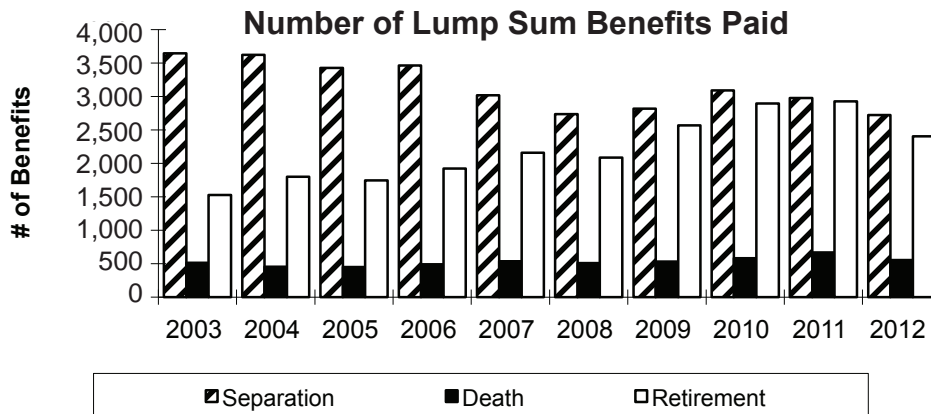
Active Participants by Employer Type

Year	Local Employers							Totals
	School Districts	Counties	Cities	Technical Colleges	Villages	Towns	Special Districts	
2003	114,535	37,609	23,909	9,599	4,270	1,487	2,710	194,119
2004	114,229	37,408	23,720	9,606	4,318	1,511	2,875	193,667
2005	113,915	37,015	23,621	9,626	4,618	1,437	2,884	193,116
2006	113,679	36,470	23,528	9,676	4,740	1,487	2,910	192,490
2007	113,584	36,043	23,646	9,750	4,831	1,482	2,883	192,219
2008	114,264	35,798	23,812	10,035	4,910	1,491	3,246	193,556
2009	115,380	35,437	23,744	10,268	5,021	1,510	3,518	194,878
2010	114,882	34,652	23,661	10,431	5,031	1,507	3,725	193,889
2011	110,008	33,549	22,993	10,129	4,952	1,552	3,680	186,863
2012	108,758	33,045	22,506	10,036	4,838	1,566	3,815	184,564

Year	State Government			Totals All Employers
	State Agencies	University	Totals	
2003	41,191	29,840	71,031	265,150
2004	40,875	30,058	70,933	264,600
2005	40,213	29,793	70,006	263,122
2006	40,562	29,804	70,366	262,856
2007	41,136	30,026	71,162	263,381
2008	41,611	30,554	72,165	265,721
2009	41,497	30,918	72,415	267,293
2010	41,215	31,525	72,740	266,629
2011	39,642	30,749	70,391	257,254
2012	40,745	31,524	72,269	256,833

Number of Lump Sum Benefits Paid

Year	Separation	Death	Retirement
2003	3,644	515	1,527
2004	3,625	456	1,802
2005	3,427	453	1,745
2006	3,462	491	1,922
2007	3,020	536	2,160
2008	2,738	512	2,089
2009	2,817	534	2,571
2010	3,093	584	2,896
2011	2,979	670	2,929
2012	2,725	556	2,403

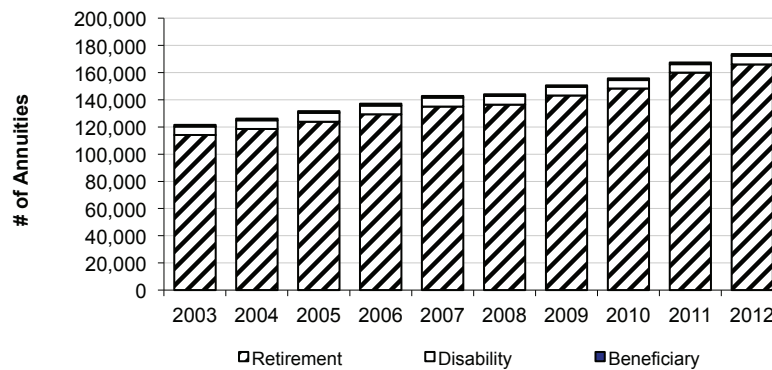




Number of Annuities in Force

Year	Retirement	Disability	Beneficiary	Totals
2003	114,038	6,272	1,272	121,582
2004	118,572	6,346	1,293	126,211
2005	123,945	6,415	1,314	131,674
2006	129,289	6,505	1,323	137,117
2007	135,026	6,558	1,322	142,906
2008	136,502	6,397	1,134	144,033
2009	143,261	6,224	1,186	150,671
2010	148,380	6,194	1,201	155,775
2011	160,044	6,201	1,208	167,453
2012	165,966	6,473	1,216	173,655

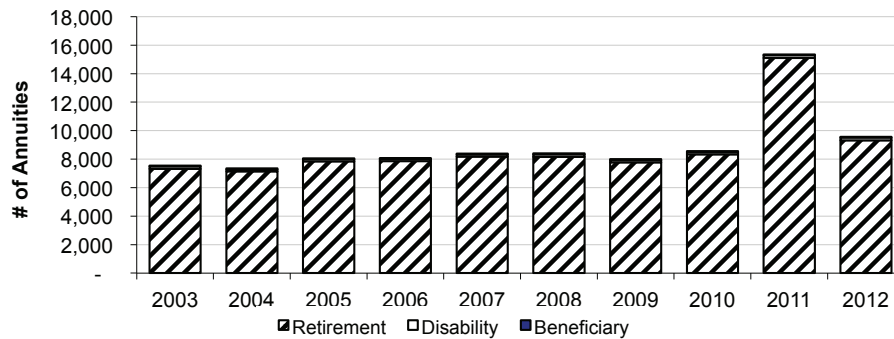
Annuities in Force



Number of New Annuities Approved

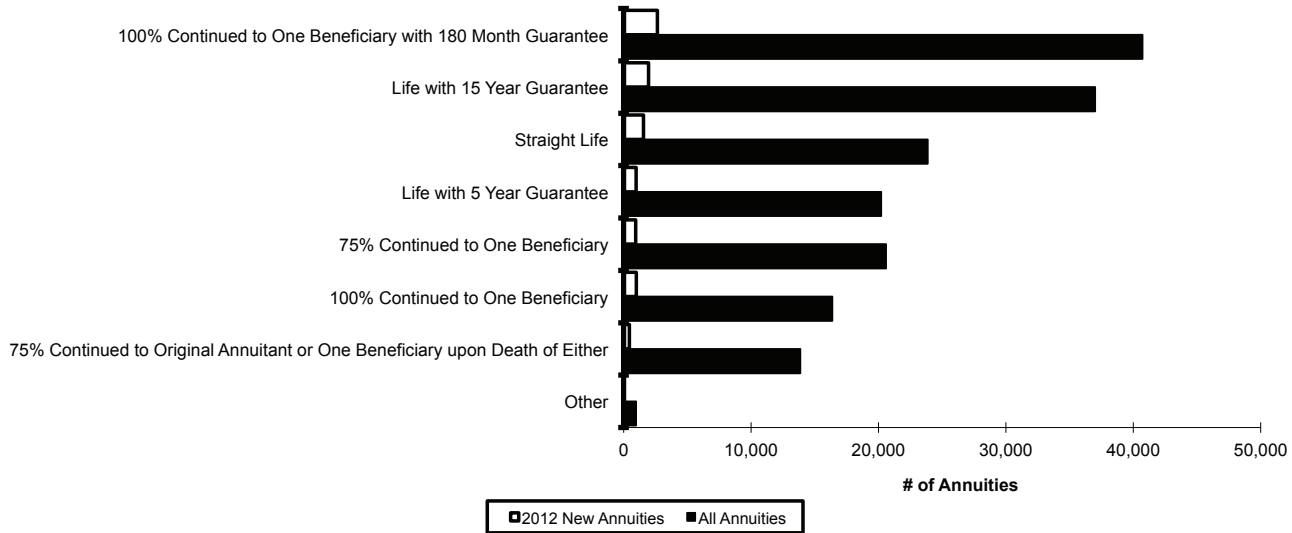
Year	Retirement	Disability	Beneficiary	Totals
2003	7,308	177	68	7,553
2004	7,142	147	56	7,345
2005	7,844	150	58	8,052
2006	7,859	163	43	8,065
2007	8,186	157	47	8,390
2008	8,165	174	61	8,400
2009	7,779	156	73	8,008
2010	8,330	159	69	8,558
2011	15,096	196	60	15,352
2012	9,322	183	67	9,572

New Annuities Approved





Annuities by Payment Option



Wisconsin Retirement System Average Monthly Annuities by Years of Service

	Years of Service									
	0 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	Over 45
Average Monthly Annuity	\$ 395	\$ 517	\$ 759	\$ 1,138	\$ 1,660	\$ 2,329	\$ 2,965	\$ 3,661	\$ 4,549	\$ 6,663
Average Final Average Salary	\$ 21,586	\$ 29,335	\$ 34,392	\$ 41,532	\$ 47,783	\$ 52,678	\$ 56,289	\$ 57,055	\$ 57,918	\$ 58,767
Number of Annuitants	5,773	14,510	17,347	19,196	21,390	24,958	35,991	13,721	2,148	186

Wisconsin Retirement System Annuities by Type of Benefit

Monthly Annuity Amount		Type of Annuity			Annuity Payment Option			
		Retirement	Disability	Beneficiary	Life Annuity	Life with Guarantee	Joint Survivor	Time Certain
\$ 0 - 500	26,566	25,363	661	542	4,545	11,530	10,460	31
\$ 500 - 1,000	27,628	25,954	1,128	546	4,780	10,834	11,976	38
\$ 1,000 - 1,500	24,450	22,938	1,215	297	3,505	8,753	12,162	30
\$ 1,500 - 2,000	23,131	21,868	1,131	132	2,809	7,320	12,992	10
\$ 2,000 - 2,500	22,012	20,927	950	135	2,518	6,466	13,019	9
\$ 2,500 - 3,000	17,833	17,146	606	81	2,043	4,856	10,929	5
\$ 3,000 - 3,500	12,916	12,448	406	62	1,549	3,395	7,967	5
\$ 3,500 - 4,000	8,909	8,664	217	28	1,051	2,244	5,612	2
\$ 4,000 - 4,500	5,748	5,621	105	22	660	1,456	3,631	1
\$ 4,500 - 5,000	3,368	3,320	31	17	378	765	2,222	3
Over \$ 5,000	4,718	4,667	30	21	531	1,114	3,062	11
Total	177,279	168,916	6,480	1,883	24,369	58,733	94,032	145



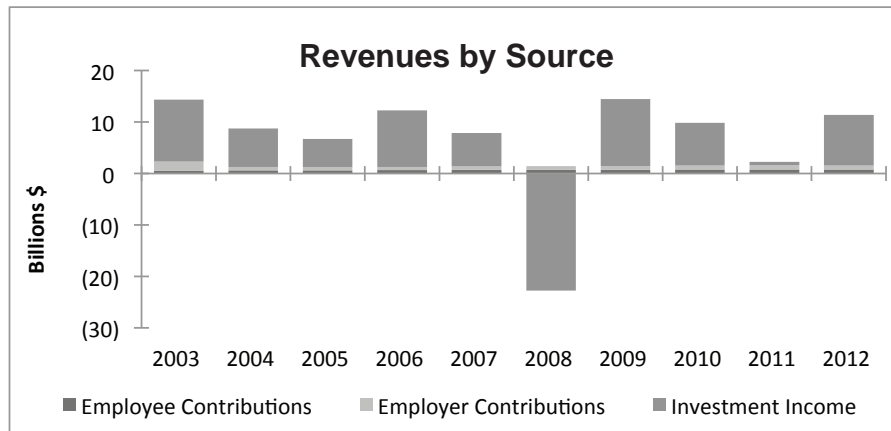
Revenues by Source ⁽¹⁾ (\$ in thousands)

Year	Employee Contributions ⁽²⁾		Employer Contributions ⁽³⁾		Investment Income	Other Income	Total Revenues
	Dollars	% of Annual Payroll	Dollars	% of Annual Payroll			
2003	564,754	5.4%	1,737,816	16.5%	12,043,429	3,563	14,349,563
2004	605,184	5.6%	644,649	6.0%	7,512,872	3,082	8,765,787
2005	640,229	5.8%	605,163	5.5%	5,492,548	2,338	6,740,278
2006	670,254	5.9%	617,263	5.5%	10,962,280	1,905	12,251,702
2007	705,804	6.0%	655,128	5.6%	6,495,914	1,823	7,858,669
2008	736,149	6.0%	683,520	5.6%	(22,744,110)	1,618	(21,322,822)
2009	736,689	5.8%	705,997	5.6%	13,024,986	1,117	14,468,790
2010	787,460	6.2%	750,702	5.9%	8,317,435	990	9,856,588
2011	797,856	6.3%	789,244	6.2%	664,151	849	2,252,100
2012	757,151	6.0%	799,350	6.3%	9,858,710	678	11,415,889

¹ Employee required contributions were made in accordance with statutory requirements. Employer required contributions were made in accordance with actuarially-determined contribution requirements.

² Employee contributions include all employee required, employee additional and benefit adjustment contributions, including those amounts paid by the employer on behalf of the employee.

³ Employer contributions include all employer required contributions, including contributions for unfunded actuarial accrued liability.





**Expenses by Type
(\$ in millions)**

Year	Age and Service Benefits		Disability Benefits	Death Benefits	Separation Benefits	Administrative Expense	Total Expenses
	Retirants	Beneficiaries					
2003	2,517.3	12.3	128.3	32.7	28.8	16.4	2,735.8
2004	2,687.2	12.7	129.9	28.0	25.0	14.8	2,897.7
2005	2,892.6	13.9	134.5	26.6	25.2	17.9	3,110.7
2006	3,075.4	14.4	136.9	37.5	25.1	17.1	3,306.4
2007	3,323.6	15.6	142.3	36.9	24.2	17.7	3,560.3
2008	3,627.5	17.2	149.1	28.8	27.4	19.1	3,869.0
2009	3,609.6	17.4	146.3	24.4	24.8	20.9	3,843.3
2010	3,683.2	17.2	145.2	29.1	26.4	17.6	3,918.7
2011	3,941.6	17.8	144.4	33.1	28.0	18.6	4,183.5
2012	4,023.8	18.2	141.5	24.8	26.6	21.5	4,256.4

**Wisconsin Retirement System
Principal Participating Employers
Current Year and Nine Years Ago**

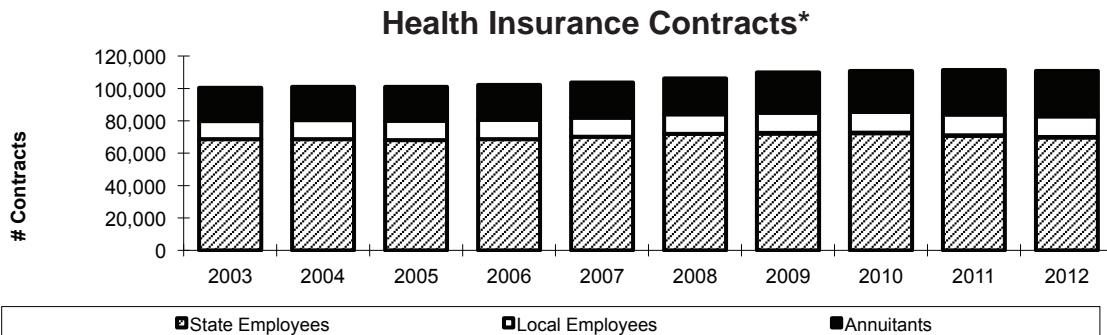
Participating Government	2012			2003		
	Covered Employees	Rank	Percentage of Total System	Covered Employees	Rank	Percentage of Total System
State of Wisconsin	72,269	1	28.1%	71,031	1	26.8%
Milwaukee Teachers Retirement System	5,865	2	2.3%	7,981	2	3.0%
Madison Metro School District	4,643	3	1.8%	4,560	3	1.7%
City of Madison	2,881	4	1.1%	2,832	6	1.1%
Green Bay Area School District	2,831	5	1.1%	2,906	4	1.1%
Kenosha Unified School District	2,726	6	1.1%	2,745	7	1.0%
Racine Unified School District	2,709	7	1.1%	2,869	5	1.1%
Dane County	2,317	8	0.9%	2,212	8	0.8%
Milwaukee Area Technical College	1,825	9	0.7%	1,904	9	0.7%
Appleton Area School District	1,761	10	0.7%	1,751	10	0.7%
All Other	157,006		61.1%	164,359		62.0%
Total (1,478 employers)	256,833		100.0%	265,150		100.0%



Group Health Insurance Program Statistics Health Insurance Contracts

Year	Active Employees	Continuants*	Annuitants				Totals
			Annuity Deduction	Sick Leave Conversion	Direct Pay*	Total Retired	
State							
2003	68,755	0	9,664	9,061	0	18,725	87,480
2004	68,758	0	9,519	9,258	0	18,777	87,535
2005	68,093	0	9,531	9,646	0	19,177	87,270
2006	68,688	0	9,468	10,105	0	19,573	88,261
2007	70,119	0	9,427	10,417	0	19,844	89,963
2008	71,925	0	9,433	10,825	0	20,258	92,183
2009	71,924	590	11,112	11,288	0	22,400	94,914
2010	72,313	478	9,179	11,788	1,732	22,699	95,490
2011	70,656	378	9,126	14,157	1,727	25,010	96,044
2012	69,650	430	9,146	14,398	1,827	25,371	95,451
Local							
2003	11,124	0	1,794	0	0	1,794	12,918
2004	11,669	0	1,787	0	0	1,787	13,456
2005	11,902	0	1,812	0	0	1,812	13,714
2006	11,973	0	1,927	0	0	1,927	13,900
2007	11,777	0	1,871	0	0	1,871	13,648
2008	12,159	0	1,873	0	0	1,873	14,032
2009	12,398	88	2,557	0	0	2,557	15,043
2010	12,700	89	2,258	0	225	2,483	15,272
2011	12,826	86	2,284	0	236	2,520	15,432
2012	12,679	80	2,366	0	229	2,595	15,354

*This data unavailable prior to 2009



*For display purposes, state and local continuants were statistically insignificant and therefore not included in this chart.



**Group Health Insurance Program Premiums by Source
(\$ in thousands)**

Year	Employer	Employee ⁽¹⁾	Annuitant	Sick Leave Conversion	Medicare	Stabilization	Life Insurance Conversion	Totals
State								
2003	575,407	13,920	59,469	65,687	0	3,188	3	717,673
2004	628,532	25,129	61,257	70,633	0	10,622	4	796,176
2005	665,498	31,635	60,997	74,639	0	0	177	832,947
2006	711,946	40,064	58,091	79,763	10,442	28	6	900,339
2007	763,681	49,268	58,003	85,958	10,464	28	2	967,404
2008	834,363	51,160	60,171	92,434	10,713	26	0	1,048,867
2009	965,386	n/a	63,453	100,390	11,909	25	95	1,141,258
2010	1,067,164	n/a	72,861	111,676	11,864	0	390	1,263,954
2011	1,112,382	n/a	73,166	130,840	11,733	0	464	1,328,585
2012	1,034,066	n/a	61,495	130,154	17,865	0	412	1,243,993
Local								
2003	90,482	5,661	8,580	0	0	150	0	104,873
2004	108,469	5,267	9,418	0	0	938	0	124,092
2005	116,667	5,903	9,757	0	0	1,632	0	133,959
2006	124,771	7,484	10,403	0	380	0	0	143,038
2007	124,802	7,775	11,534	0	407	1	0	144,519
2008	137,141	7,398	12,021	0	467	1	0	157,028
2009	167,907	n/a	13,324	0	461	1	0	181,693
2010	189,480	n/a	15,362	0	574	0	3	205,419
2011	205,211	n/a	14,700	0	427	0	0	220,338
2012	198,476	n/a	13,926	0	1,846	0	0	214,248
Local Annuitants								
2003	0	0	767	1	0	0	0	768
2004	0	0	795	5	0	0	0	800
2005	0	0	879	0	0	0	6	885
2006	0	0	847	0	0	0	3	850
2007	0	0	823	0	0	0	3	826
2008	0	0	856	0	0	0	3	859
2009	0	0	958	0	0	0	4	962
2010	0	0	1,045	0	0	0	4	1,049
2011	0	0	985	0	0	0	2	987
2012	0	0	1,085	0	0	0	3	1,088

⁽¹⁾ Beginning in 2009 the employee paid portion of active participant health insurance premiums is no longer identifiable.



**Group Life Insurance Program Statistics
Life Insurance Premiums Collected
(\$ in thousands)**

Year	Employee					Employer			Totals
	Basic	Suppl	Additional	Spouse & Dependent	Total	Basic	Suppl	Total	
<u>State</u>									
2003	5,368	4,035	4,163	1,304	14,868	2,682	1,139	3,821	18,690
2004	5,254	3,936	4,245	1,073	14,509	2,609	1,104	3,713	18,223
2005	5,470	4,079	4,546	1,033	15,127	2,676	1,127	3,803	18,930
2006	5,765	4,275	4,934	1,019	15,994	2,779	1,163	3,943	19,936
2007	6,157	4,552	5,448	1,027	17,184	2,956	1,232	4,188	21,372
2008	6,600	4,861	6,585	1,039	19,085	3,161	1,312	4,473	23,558
2009	7,074	5,198	7,409	1,053	20,734	3,408	1,408	4,816	25,550
2010	7,363	5,404	7,834	1,253	21,855	3,519	1,453	4,971	26,826
2011	7,302	4,577	7,248	1,275	20,402	3,488	1,180	4,668	25,070
2012	6,285	4,557	6,758	1,233	18,833	2,873	1,204	4,078	22,911
<u>Local</u>									
2003	8,066	1,429	4,405	1,451	15,350	2,253	13	2,267	17,616
2004	8,308	1,566	4,785	1,462	16,121	2,307	15	2,322	18,443
2005	8,752	1,776	5,248	1,483	17,260	2,387	17	2,404	19,664
2006	9,256	1,966	5,733	1,492	18,447	2,534	27	2,561	21,008
2007	9,969	2,189	6,356	1,428	19,943	2,764	73	2,837	22,780
2008	10,352	2,337	6,747	1,337	20,773	2,868	71	2,939	23,712
2009	10,573	2,540	7,224	1,342	21,679	3,185	17	3,201	24,881
2010	10,950	2,642	7,636	1,329	22,558	3,247	53	3,300	25,858
2011	10,933	2,702	7,761	1,298	22,694	3,250	54	3,304	25,997
2012	10,612	2,692	7,666	1,248	22,218	3,319	51	3,370	25,588

**Group Life Insurance in Force
(\$ in thousands)**

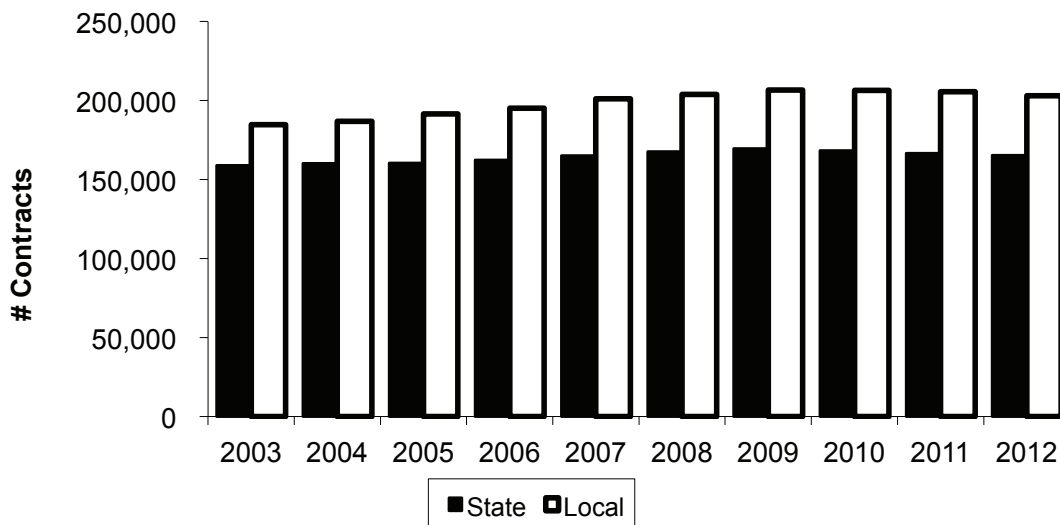
Year	Pre-Retirement			Post-Retirement	Spouse & Dependent	Totals
	Basic	Supplemental	Additional			
<u>State</u>						
2003	2,525,292	1,876,086	1,976,044	248,541	590,340	7,216,303
2004	2,649,332	1,958,599	2,153,059	261,620	592,275	7,614,885
2005	2,719,404	2,003,210	2,276,487	277,560	582,575	7,859,236
2006	2,812,389	2,065,965	2,450,801	295,682	584,735	8,209,572
2007	2,953,085	2,163,847	2,686,412	320,233	592,020	8,715,597
2008	3,101,958	2,267,825	2,897,834	348,802	594,715	9,211,134
2009	3,288,721	2,401,767	3,175,970	371,715	605,205	9,843,378
2010	3,302,757	2,410,238	3,247,085	396,600	601,900	9,958,580
2011	3,296,564	2,385,886	3,250,843	449,897	567,755	9,950,945
2012	3,231,871	2,321,576	3,258,782	493,214	561,610	9,867,053
<u>Local</u>						
2003	3,281,854	736,895	2,325,771	152,083	844,175	7,340,778
2004	3,391,695	797,296	2,515,802	161,094	855,995	7,721,882
2005	3,540,667	910,482	2,746,798	173,746	868,055	8,239,748
2006	3,665,026	985,403	2,954,710	190,202	877,340	8,672,681
2007	3,849,827	1,085,500	3,171,093	209,310	893,160	9,208,890
2008	3,998,963	1,157,300	3,369,883	230,296	895,485	9,651,927
2009	4,173,626	1,237,027	3,614,168	247,986	897,225	10,170,032
2010	4,280,427	1,296,473	3,809,183	263,635	882,590	10,532,308
2011	4,303,919	1,364,577	3,903,476	296,558	852,035	10,720,565
2012	4,182,413	1,346,900	3,801,144	339,426	819,980	10,489,863



Life Insurance Program Contracts and Participants

Year	Pre-Retirement			Post-Retirement	Spouse & Dependent	Total Contracts	Total Participants
	Basic	Suppl	Addl				
<u>State</u>							
2003	56,087	41,003	23,721	13,112	25,064	158,987	69,199
2004	56,437	41,095	24,202	13,392	25,077	160,203	69,829
2005	56,594	41,049	24,474	13,720	24,583	160,420	70,314
2006	57,137	41,358	25,120	14,148	24,575	162,338	71,285
2007	57,907	41,813	25,851	14,729	24,762	165,062	72,636
2008	58,668	42,246	26,444	15,431	24,796	167,585	74,099
2009	59,045	42,467	26,959	16,034	25,145	169,650	75,079
2010	58,070	41,840	26,805	16,584	25,008	168,307	74,654
2011	57,673	41,247	26,503	17,847	23,446	166,716	75,520
2012	56,773	40,243	26,288	18,921	23,153	165,378	75,694
<u>Local</u>							
2003	83,716	18,128	30,192	17,305	35,366	184,707	101,021
2004	83,598	18,901	30,926	17,750	35,710	186,885	101,348
2005	84,180	20,882	31,986	18,421	36,075	191,544	102,601
2006	84,928	21,753	32,904	19,187	36,395	195,167	104,115
2007	86,623	23,712	33,994	19,926	36,861	201,116	106,549
2008	87,150	24,444	34,430	20,912	36,905	203,841	108,062
2009	87,616	25,128	35,114	21,787	36,940	206,585	109,403
2010	86,828	25,336	35,257	22,671	36,340	206,432	109,499
2011	85,714	26,155	34,768	23,956	35,036	205,629	109,670
2012	83,863	26,053	33,833	25,573	33,704	203,026	109,436

Life Insurance Contracts



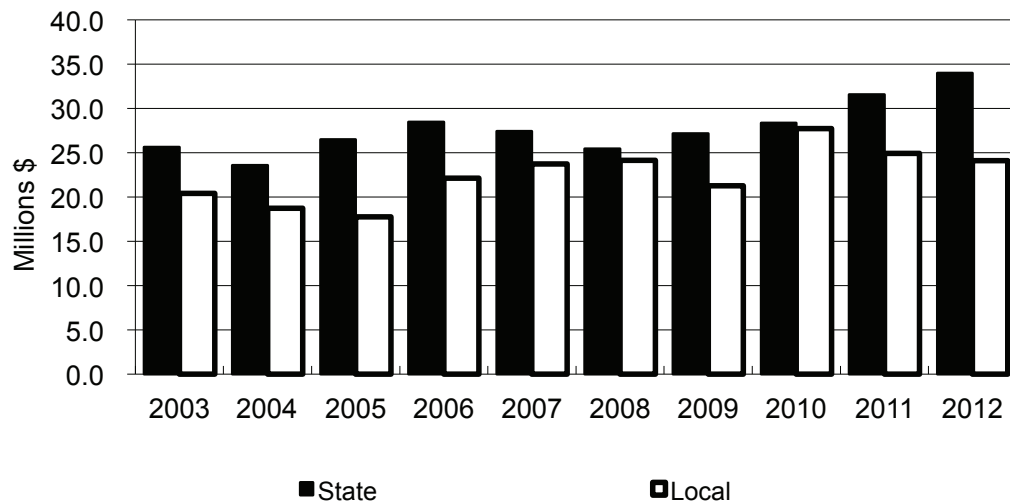


Group Life Insurance Program Paid Claims (\$ in thousands)

Year	Pre-Retirement			Post-Retirement	Spouse & Dependent	Living Benefits ⁽¹⁾	Totals
	Life	AD&D	Disability				
<u>State</u>							
2003	14,696	781	1,436	6,868	1,363	489	25,632
2004	13,873	941	(602)	7,555	1,191	602	23,559
2005	13,479	1,788	2,284	7,521	1,076	341	26,489
2006	14,953	1,120	2,315	8,480	1,003	576	28,447
2007	15,424	578	1,048	8,774	1,095	512	27,431
2008	12,438	948	1,834	8,688	1,182	365	25,454
2009	13,567	1,152	1,697	9,300	1,116	314	27,145
2010	14,356	893	1,496	10,473	959	162	28,340
2011	16,749	1,285	1,184	9,881	1,241	1,211	31,551
2012	17,137	1,260	1,343	12,040	1,027	1,185	33,991
<u>Local</u>							
2003	12,350	1,670	549	3,986	1,345	487	20,387
2004	12,628	1,015	(606)	4,284	1,186	200	18,707
2005	10,389	880	805	4,146	1,426	125	17,770
2006	12,343	1,580	1,430	4,521	1,311	936	22,121
2007	13,662	1,192	1,327	5,305	1,690	531	23,708
2008	15,929	1,286	578	4,439	1,617	296	24,146
2009	12,408	444	1,070	5,552	1,540	240	21,253
2010	16,512	1,513	943	5,954	1,458	1,332	27,712
2011	14,646	1,188	1,215	6,141	1,633	81	24,904
2012	13,704	788	1,175	6,588	1,180	655	24,090

¹ Living Benefits may originate as Pre-Retirement, Post-Retirement or Spouse & Dependent benefits.

Group Life Insurance Program Paid Claims



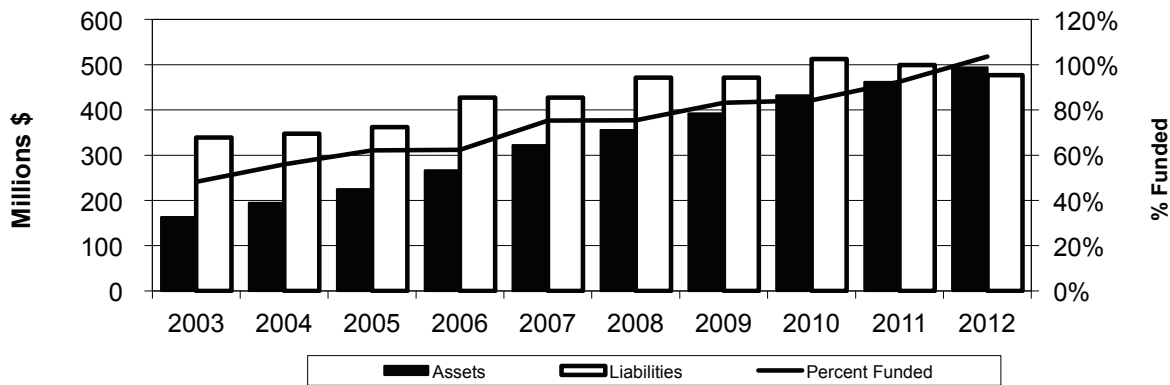


Duty Disability Insurance Statistics (\$ in Millions)

Year	Employers	Participants	Benefit		Average
			Payments	Contributions	Contribution Rate
2003	476	21,476	23	39	3.86%
2004	483	21,762	23	41	3.83%
2005	486	21,851	24	42	3.85%
2006	494	22,115	26	45	3.86%
2007	499	22,550	26	48	3.92%
2008	500	22,843	27	51	3.93%
2009	502	23,019	29	52	3.89%
2010	504	22,871	30	52	3.91%
2011	503	22,352	30	53	3.98%
2012	501	22,144	30	53	4.02%

Year	Assets	Liabilities	Unfunded	Percent	Covered Payroll	UAAL as %
			(Overfunded)			Funded
			Liability			
2003	163.4	339.2	175.8	48.2%	1,018.8	17.3%
2004	194.6	347.6	153.0	56.0%	1,063.7	14.4%
2005	224.9	362.3	137.4	62.1%	1,092.5	12.6%
2006	266.3	427.1	160.8	62.3%	1,154.0	13.9%
2007	321.9	427.1	105.2	75.4%	1,217.3	8.6%
2008	355.5	471.7	116.1	75.4%	1,286.7	9.0%
2009	392.4	471.7	79.2	83.2%	1,322.5	6.0%
2010	432.1	512.8	80.7	84.3%	1,326.3	6.1%
2011	461.6	499.0	37.4	92.5%	1,332.7	2.8%
2012	494.1	477.0	(17.1)	103.6%	1,318.3	-1.3%

Duty Disability Funding





Duty Disability Insurance Principal Participating Employers Current Year and Nine Years Ago

Participating Government	2012			2003		
	Covered Employees	Rank	Percentage of Total System	Covered Employees	Rank	Percentage of Total System
State of Wisconsin	8,327	1	37.6%	8,176	1	38.1%
City of Madison	805	2	3.6%	677	2	3.2%
Dane County	437	3	2.0%	412	3	1.9%
City of Green Bay	373	4	1.7%	375	4	1.7%
City of Kenosha	338	5	1.5%	333	6	1.6%
City of Racine	336	6	1.5%	358	5	1.7%
Brown County	292	7	1.3%	280	7	1.3%
City of West Allis	241	8	1.1%	246	8	1.1%
City of Waukesha	212	9	1.0%	203	9	0.9%
City of Appleton	199	10	0.9%	201	10	0.9%
All Other	10,584		47.8%	10,215		47.6%
Total (501 employers)	22,144		100.0%	21,476		100.0%

Duty Disability Insurance Annuities by Type of Benefit

Monthly Benefit Amount	Number of Annuitants	Disability	Beneficiary
\$ 0 - 500	27	24	3
\$ 500 - 1,000	68	50	18
\$ 1,000 - 1,500	64	61	3
\$ 1,500 - 2,000	108	104	4
\$ 2,000 - 2,500	113	107	6
\$ 2,500 - 3,000	140	134	6
\$ 3,000 - 3,500	99	94	5
\$ 3,500 - 4,000	105	105	0
\$ 4,000 - 4,500	109	108	1
\$ 4,500 - 5,000	61	59	2
Over \$ 5,000	38	37	1
Total	932	883	49

* This table excludes annuitants whose benefit is totally offset by other income sources.

Duty Disability Insurance Average Monthly Benefit by Years of Service

	Years of Service						
	0 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35
Average Monthly Annuity	\$ 3,127	\$ 3,473	\$ 3,296	\$ 2,904	\$ 2,129	\$ 1,648	\$ 1,810
Average Final Average Salary	\$ 2,426	\$ 3,263	\$ 3,441	\$ 3,533	\$ 3,568	\$ 3,849	\$ 2,336
Number of Annuitants	52	161	203	234	197	78	7

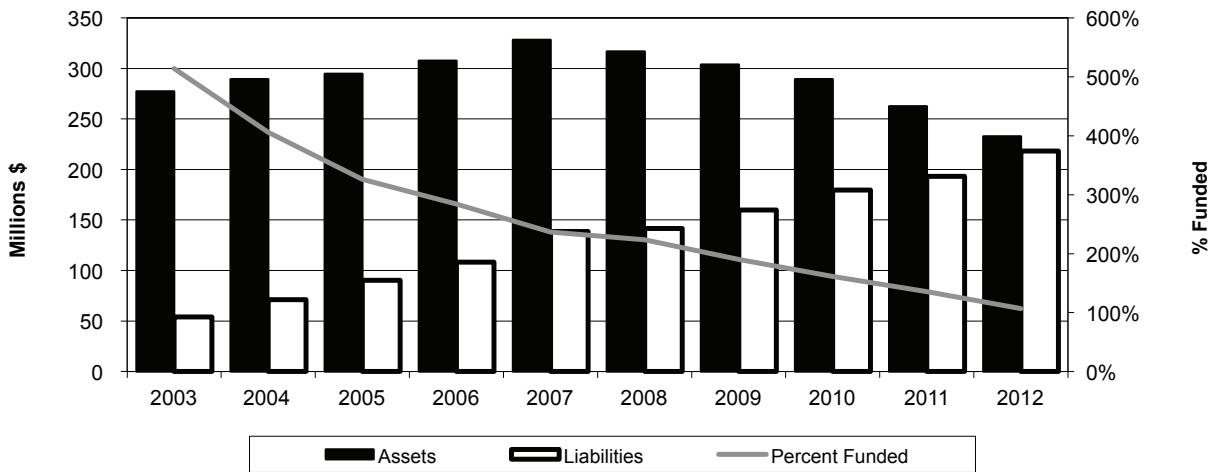
* This table excludes annuitants for whom years of service data is not available



Long-Term Disability Insurance Statistics (\$ in millions)

Year	Assets	Liabilities	Unfunded (Overfunded) Liability	Percent Funded	Covered Payroll (\$ in millions)	UAAL as % of Covered Payroll
2003	277.27	53.95	(223.3)	513.9%	10,502	-2.1%
2004	289.21	71.25	(218.0)	405.9%	10,760	-2.0%
2005	294.67	90.30	(204.4)	326.3%	10,973	-1.9%
2006	307.69	108.29	(199.4)	284.1%	11,308	-1.8%
2007	328.32	138.63	(189.7)	236.8%	11,720	-1.6%
2008	316.72	141.63	(175.1)	223.6%	12,290	-1.4%
2009	303.87	159.73	(144.1)	190.2%	12,622	-1.1%
2010	289.26	179.50	(109.8)	161.1%	12,744	-0.9%
2011	262.48	193.30	(69.2)	135.8%	12,719	-0.5%
2012	232.61	218.15	(14.5)	106.6%	12,628	-0.1%

Long-Term Disability Insurance Funding



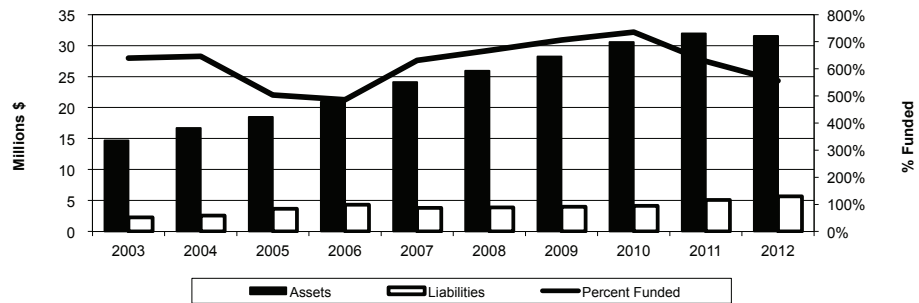


Income Continuation Insurance Statistics (\$ in millions)

Local

Year	Contracts	Claims	Assets	Liabilities	Unfunded (Overfunded) Liability	Funded Ratio
2003	6,353	75	14.7	2.3	(12.4)	639.8%
2004	6,763	42	16.7	2.6	(14.1)	646.3%
2005	6,985	115	18.5	3.7	(14.8)	503.6%
2006	7,053	137	20.9	4.3	(16.6)	485.8%
2007	7,270	70	24.1	3.8	(20.3)	631.1%
2008	7,837	67	25.9	3.9	(22.1)	667.4%
2009	8,229	87	28.2	4.0	(24.2)	705.8%
2010	7,964	75	30.6	4.2	(26.4)	735.8%
2011	7,878	93	31.9	5.1	(26.9)	627.6%
2012	7,593	90	31.6	5.7	(25.9)	555.6%

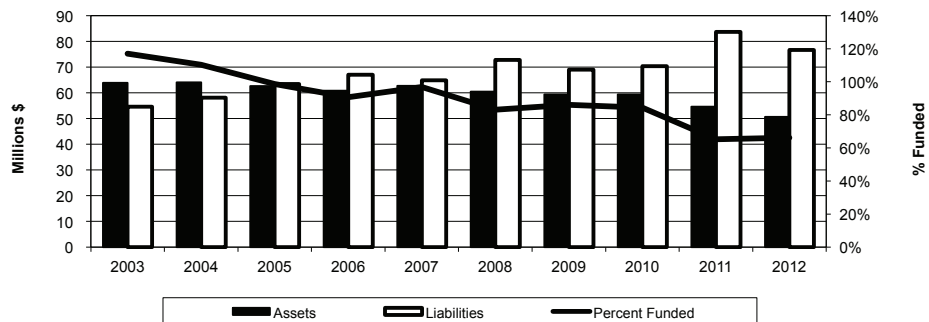
Local Income Continuation Insurance Funding



State

Year	Contracts	Claims	Assets	Liabilities	Unfunded (Overfunded) Liability	Funded Ratio
2003	55,357	2,024	63.8	54.6	(9.3)	117.0%
2004	55,622	2,177	64.1	58.1	(5.9)	110.2%
2005	54,844	1,865	62.6	63.4	0.8	98.7%
2006	54,646	2,054	60.8	67.0	6.2	90.7%
2007	55,048	1,388	62.7	64.8	2.1	96.8%
2008	55,908	1,419	60.5	72.8	12.3	83.1%
2009	56,596	1,399	59.4	69.0	9.6	86.1%
2010	56,068	1,415	59.3	70.3	11.0	84.4%
2011	52,573	1,545	54.6	83.7	29.1	65.2%
2012	53,488	1,663	50.7	76.6	26.0	66.1%

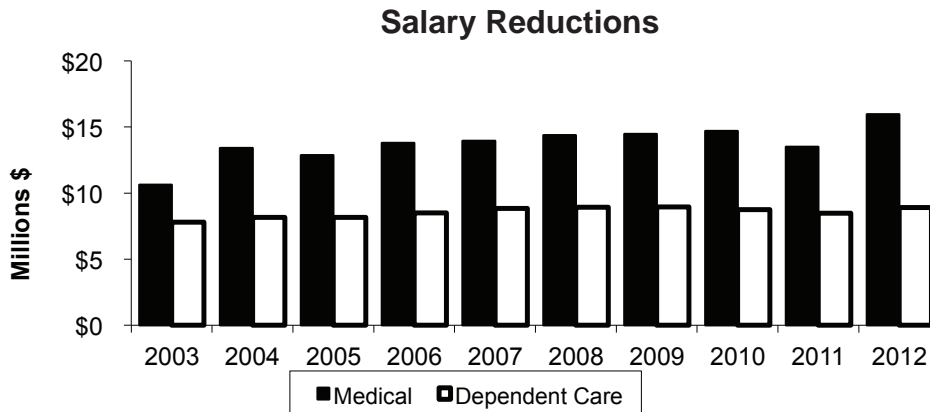
State Income Continuation Insurance Funding





Employee Reimbursement Accounts Program Statistics Salary Reductions and Claims

Year	Medical				Dependent Care			
	Accounts	Salary Reductions	Claims	Forfeitures	Accounts	Salary Reductions	Claims	Forfeitures
2003	9,374	10,617,227	10,436,989	180,238	2,005	7,806,467	7,740,380	66,087
2004	10,872	13,414,090	13,181,896	232,194	2,071	8,153,460	8,098,390	55,070
2005	11,246	12,869,605	12,680,770	188,835	2,285	8,152,493	8,099,308	53,185
2006	11,617	13,795,854	13,723,055	72,799	2,325	8,499,544	8,349,343	150,201
2007	11,587	13,953,387	13,749,822	203,565	2,389	8,832,561	8,774,586	57,975
2008	10,922	14,372,252	14,178,505	193,747	2,186	8,934,444	8,854,653	79,791
2009	10,975	14,455,388	14,243,697	211,691	2,211	8,948,891	8,860,082	88,810
2010	11,428	14,690,079	14,496,161	193,918	2,166	8,737,997	8,668,217	69,780
2011	10,723	13,498,149	13,373,269	124,880	2,133	8,476,558	8,420,493	56,065
2012	12,373	15,948,452	15,828,849	119,603	2,245	8,911,658	8,847,562	64,096



Employee Reimbursement Accounts Program Statistics Administrative Funding

Year	Receipts				Expenses			Surplus / (Deficit)
	Fees	Interest	Forfeitures	Totals	Administrator	State	Total	
2003	386,252	43,680	246,325	676,257	599,348	81,249	680,597	(4,340)
2004	461,492	72,390	287,264	821,146	424,684	83,187	507,871	313,276
2005	456,715	161,038	242,020	859,773	599,868	101,780	701,648	158,125
2006	452,759	276,600	223,000	952,359	710,633	90,519	801,152	151,207
2007	457,303	284,850	261,540	1,003,693	699,699	118,552	818,251	185,442
2008	396,608	144,012	273,538	814,158	601,120	118,127	719,247	94,911
2009	409,931	28,172	300,500	738,603	603,121	123,055	726,176	12,427
2010	430,071	9,449	263,698	703,218	709,032	117,967	826,999	(123,781)
2011	427,725	10,435	180,945	619,105	681,803	111,024	792,827	(173,722)
2012	418,251	7,260	183,699	609,210	753,307	226,690	979,997	(370,787)



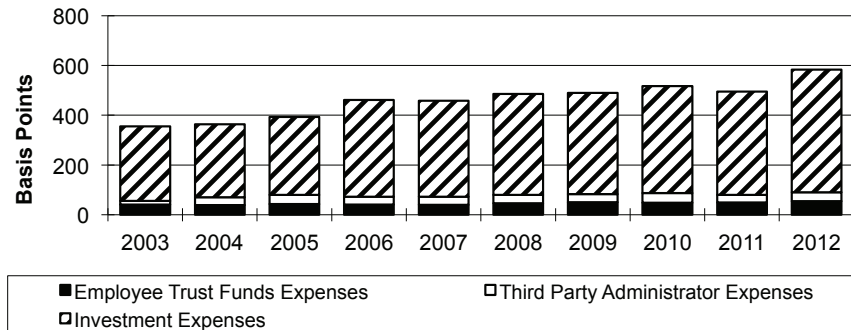
Administrative Expense Statistics Administrative Expenses (\$ in thousands)

Year	ETF Expenses	Investment Expenses	Third Party Administrator Contracts							Commuter Benefits	Total Administration
			ERA	Health	Pharmacy	ICI	LTDI	Badger Rx	Deferred Comp		
2003	21,138	152,948	599	2,447	0	1,417	699	0	2,251	107	181,606
2004	20,368	152,629	425	3,314	7,597	1,622	807	0	2,320	124	189,205
2005	23,059	165,940	600	4,294	9,461	1,701	838	1	2,448	121	208,463
2006	22,367	210,660	710	2,807	8,820	1,859	894	0	1,771	87	249,975
2007	21,958	212,143	700	2,140	10,081	1,910	908	0	2,317	96	252,253
2008	25,779	226,364	601	2,183	10,427	1,859	912	0	2,440	94	270,659
2009	28,565	230,129	603	2,244	9,717	1,348	1,764	0	2,548	94	277,012
2010	27,709	245,806	709	2,461	13,379	1,525	1,616	0	2,659	79	295,943
2011	28,664	241,413	682	2,264	9,056	1,449	1,692	0	2,639	77	287,935
2012	32,154	290,608	753	2,235	12,413	1,455	1,777	0	2,714	73	344,184

Administrative Expenses Per Participant (\$ in thousands)

Year	Participants	Employee Trust Funds		Investment Expenses		Third Party Administrators		Total Administration	
		Amount (\$000's)	Per Participant	Amount (\$000's)	Per Participant	Amount (\$000's)	Per Participant	Amount (\$000's)	Per Participant
2003	512,025	21,138	41.3	152,948	298.7	7,520	14.7	181,606	354.7
2004	520,766	20,368	39.1	152,629	293.1	16,208	31.1	189,205	363.3
2005	530,540	23,059	43.5	165,940	312.8	19,464	36.7	208,463	392.9
2006	542,558	22,367	41.2	210,660	388.3	16,948	31.2	249,975	460.7
2007	551,058	21,958	39.8	212,143	385.0	18,152	32.9	252,253	457.8
2008	557,062	25,779	46.3	226,364	406.4	18,516	33.2	270,659	485.9
2009	566,317	28,565	50.4	230,129	406.4	18,318	32.3	277,012	489.1
2010	572,219	27,709	48.4	245,806	429.6	22,428	39.2	295,943	517.2
2011	581,893	28,664	49.3	241,413	414.9	17,859	30.7	287,935	494.8
2012	590,461	32,154	54.5	290,608	492.2	21,421	36.3	344,184	582.9

Administrative Expenses Per Participant





ACTUARIAL

**State of Wisconsin
Department of
Employee Trust Funds**



October 10, 2013

Employee Trust Funds Board
801 West Badger Road
Madison, Wisconsin 53713-2526

Re: Wisconsin Retirement System (WRS)

Ladies and Gentlemen:

The basic financial objective of the WRS is to establish and receive contributions which:

- when expressed in terms of percents of active member payroll, will remain approximately level from generation-to-generation, and
- when combined with present assets and future investment return, will be sufficient to meet the financial obligations of WRS to present and future retirees and beneficiaries.

The purpose of the valuation was to determine contribution rates for the 2014 fiscal year and to provide actuarial information in connection with applicable Governmental Accounting Standards Board Statements. The valuation should not be relied upon for any other purpose. The valuation process develops contribution rates that are sufficient to fund the plan's normal cost (i.e., the costs assigned by the valuation method to the year of service about to be rendered), as well as to fund unfunded actuarial accrued liabilities as a level percent of active member payroll over a finite period. The valuations were completed based upon population data, asset data, and plan provisions in effect on December 31, 2012.

The valuation was based upon information, furnished by the plan's administrative staff, concerning Retirement System benefits, financial transactions, and individual members, terminated members, retirees and beneficiaries. We checked the data for internal and year to year consistency, but did not otherwise audit the data. As a result, we do not assume responsibility for the accuracy or completeness of the data provided.

The actuary prepared the following supporting schedules for the Comprehensive Annual Financial Report:

Percent Increase in Salaries Next Year
Single Life Retirement Values
Rates of Retirement for Those Eligible to Retire
Early Retirement Pattern
Percentage of Active Members Withdrawing (Select and Ultimate)
Percentage of Active Members becoming Disabled
Solvency Test
Summary of Accrued and Unfunded Accrued Liabilities

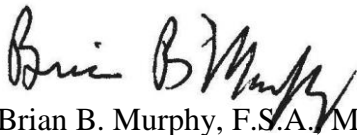
Assets are valued on a statutory market related basis that recognizes assumed return fully each year and spreads each year's gain or loss above or below assumed return over a closed five-year period.

Actuarial valuations are based upon assumptions regarding future activity in specific risk areas including the rates of investment return and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. The Board adopts these assumptions after considering the advice of the actuary and other professionals. The assumptions and the methods comply with the requirements of Statement No. 25 of the Governmental Accounting Standards Board and are in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed. The December 31, 2012 valuations were based upon assumptions that were recommended in connection with a study of experience covering the 2009-2011 period. Future actuarial measurements may differ significantly from those presented in the valuations due to such factors as experience differing from that anticipated by actuarial assumptions, changes in plan provision, actuarial assumptions/methods or applicable law. Due to the limited scope of the assignment, we did not perform an analysis of the potential range of future measurements.

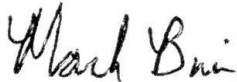
Based upon the results of the December 31, 2012 valuations, we are pleased to report to the Board that the Wisconsin Retirement System is meeting its basic financial objective and continues to operate in accordance with actuarial principles of level percent of payroll financing.

Brian B. Murphy, Mark Buis, and James D. Anderson are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

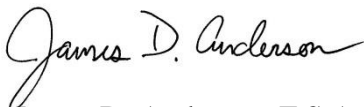
Respectfully submitted,



Brian B. Murphy, F.S.A., M.A.A.A.



Mark Buis, F.S.A., M.A.A.A.



James D. Anderson, F.S.A., M.A.A.A.

BBM/MB/JDA:



**Wisconsin Retirement System
Actuarial Statement of Assets and Liabilities
(\$ in Millions)**

	December 31, 2012	December 31, 2011	Increase (Decrease)
Assets and Employer Obligations			
Net Assets			
Cash, Investments & Receivables			
Less: Payables & Suspense Items			
Core Division	72,844.6	73,738.7	(894.1)
Variable Division	5,768.4	5,201.3	567.1
Totals	78,613.0	78,940.0	(327.0)
Obligations of Employers			
Unfunded Accrued Liability	69.7	99.3	(29.6)
Total Assets	78,682.7	79,039.3	(356.6)
Reserves and Surplus			
Reserves			
Actuarial Present Value of Projected Benefits Payable to Terminated Vested Participants and Active Members:			
Member Normal Contributions	14,259.7	14,294.9	(35.2)
Member Additional Contributions	136.5	139.5	(3.0)
Employer Contributions	20,231.0	20,995.5	(764.5)
Total Contributions	34,627.2	35,429.9	(802.7)
Actuarial Present Value of Projected Benefits Payable to Current Retirees and Beneficiaries:			
Core Annuities	41,852.4	42,078.3	(225.9)
Variable Annuities	3,169.6	3,462.9	(293.3)
Total Annuities	45,022.0	45,541.2	(519.2)
Total Reserves	79,649.2	80,971.1	(1,321.9)
Surplus			
Core Annuity Reserve Surplus	(1,260.8)	(1,666.8)	406.0
Variable Annuity Reserve Surplus	294.3	(265.0)	559.3
Total Surplus	(966.5)	(1,931.8)	965.3
Total Reserves and Surplus	78,682.7	79,039.3	(356.6)



SUMMARY OF BENEFIT PROVISIONS

NORMAL RETIREMENT ELIGIBILITY

The age a participant becomes eligible for an unreduced age and service annuity is:

General		Protective		Executive & Elected	
Age	Service	Age	Service	Age	Service
65	Any*	54	Any*	62	Any*
57	30	53	25	57	30

*Participants first employed after 1989 and terminated before April 24, 1998, must have creditable service in five calendar years. Participants first employed after June 30, 2011 must have five years of creditable service.

NORMAL RETIREMENT ANNUITY

The age and service annuity payable at Normal Retirement Age is based on Final Average Earnings (FAE) and creditable service as follows:

Multiplier for Service Rendered			Group
Before 2000	Between 2000 and 2011	After 2011	
2.165%	2.0%	1.6%	Executive group and elected officials
2.165%	2.0%	2.0%	Protective occupation participants covered by Social Security
2.665%	2.5%	2.5%	Protective occupation participants not covered by Social Security
1.765%	1.6%	1.6%	All other participants

FAE is generally the average of the three highest years of earnings preceding retirement (July 1 - June 30 for teachers, educational support staff, and judges; calendar year for others). These years do not have to be consecutive. For legislators and state constitutional officers who are

ineligible to receive pay increases during their term, FAE is the statutory rate of earnings at termination.

Maximum formula annuity is 85% of FAE for protective occupation participants not covered by Social Security, 65% of FAE for protectives covered by Social Security, and 70% for all other participants. If greater than the formula amount, an annuity equal to the actuarial equivalent of two times the required accumulated contributions is paid in lieu of the formula amount.

Early Retirement: Any participant who has attained age 55 and any protective occupation participant who has attained age 50 may apply for an early retirement annuity. The benefit is reduced 0.4% for each month that the annuity effective date precedes the Normal Retirement Age. For non-protective participants terminating after June 30, 1990, the 0.4% is reduced for months after the attainment of age 57 and before the annuity effective date by .001111% for each month of creditable service.

Voluntary Termination Before Immediate Benefit

Eligibility: A participant who terminates service before being eligible for a retirement annuity may either (1) receive a refund of accumulated contributions, or (2) leave contributions on deposit and apply for a retirement annuity on or after the minimum retirement age based upon age and accrued service at time of termination.

Post-Retirement Adjustments: Annuities are increased annually if the investment income credited to retired life funds is in excess of the assumed rate (presently 5%), other plan experiences are within projected ranges, and the resulting adjustment would be at least 0.5%. Previously granted adjustments can be revoked if the investment income is insufficient to support these previously granted increases. However, a Core Fund annuity cannot be reduced below the amount granted upon inception. Slightly different provisions apply to variable annuities.

Disability Annuity: Eligibility for disability under the Wisconsin Retirement System means, generally, total and permanent incapacity to engage in gainful employment. The participant must have completed at least six months of creditable service in each of at least five out of the last seven calendar years preceding application for disability. The service requirement is waived if the disability is from service-related causes.



Disability Amounts: Amounts payable in case of disability depend upon the plan from which payment is made. Plans are described below.

	Pre-10/16/92 WRS Plan	Post-10/15/92 Long-Term Disability Insurance (LTDI) Plan
Participants Covered	Participants hired before 10/16/92 who do not elect LTDI coverage.	Participants entering after 10/15/92 and participants on 10/15/92 who elect LTDI coverage.
Benefit to age 65*	WRS formula benefit based on service projected to normal retirement age	40% of FAE for participants covered by Social Security; 50% of FAE for non-covered participants who cannot qualify for Social Security disability benefits.
Benefit at age 65*	Continuation of pre-65 amount.	WRS benefit accrued to date of disability plus 7% of FAE money purchase benefit during disability period, both of which are adjusted in accordance with the dividend rate.

*Conversion age is later for participants becoming disabled after age 61.

Death In Service: Prior to age 50 for protective participants and age 55 for others, the benefit is the equivalent of twice the accumulated employee required and all additional contributions and employer amounts contributed prior to 1974 for teachers or 1966 for others. After age 50 for protective occupation participants, and age 55 for others, the benefit is the amount that would have been paid if participant had retired and elected the 100% survivor option. The benefit is payable to a spouse, child, or other dependent.

Interest credits: Interest is credited on member Core Fund accounts based on the prior year ending account balance and the interest rates shown below.

Date of Participation	Rate Credited For Purpose of	
	Money Purchase Minimum	Refunds
Prior to 1982	Core Effective Rate	Core Effective Rate
January 1, 1982 and later and terminated prior to January 1, 2000	5%	3%
January 1, 1982 and later and not terminated prior to January 1, 2000	Core Effective Rate	Core Effective Rate

Interest is credited on member Variable Fund accounts based on the prior year ending account balance and the Variable effective rate.

Interest on both Core and Variable member additional deposit accounts is based on the prior year ending account balance and the appropriate effective rate.

Contribution Rates: The financial objective of the WRS is to establish and receive contributions that will remain level from year to year and decade to decade.

Effective June 28, 2011, the employee contribution for general category employees, teachers and executives and elected officials is equal to one-half the actuarially required contribution. The employee contribution for protective occupations is the same percentage as general employees. The employer is responsible for the remainder of the actuarially determined contribution. The employer may not pay any portion of the employee contribution unless provided for by an pre-existing collective bargaining agreement.



ACTUARIAL METHOD AND ASSUMPTIONS USED IN VALUATIONS

The principal areas of risk assumption are:

1. Long-term rates of investment income likely to be generated by the assets of the retirement fund. This includes both realized and unrealized appreciation and depreciation.
2. Rates of mortality among participants, retirees and beneficiaries.
3. Rates of withdrawal of active participants.
4. Rates of disability among participants.
5. Patterns of salary increases to be experienced by participants.
6. The age and service distribution of actual retirements.

In making a valuation, the actuary must project the monetary value of each risk assumption for each distinct experience group for the next year and for each year over the next half-century or longer.

Once actual risk experience has occurred and been observed, it will not coincide exactly with assumed risk experience regardless of the skill of the actuary, the completeness of the data, and the precision of the calculations. Each valuation provides a completed recalculation of assumed future risk experience and takes into account all past differences between assumed and actual risk experience. The result is a continual series of small adjustments to the computed contribution rate. From time to time it becomes necessary to adjust the package of risk measurements to reflect basic experience trends but not random year-to-year fluctuations.

The actuarial valuation method used in the valuation was the Frozen Initial Liability Actuarial Valuation Method. Under this method, the amount of remaining unfunded accrued actuarial liabilities at any valuation date are affected only by the monthly amortization payments, compound interest, the added liability created by new employer units, and any added liabilities caused by changes in benefit provisions.

ECONOMIC ASSUMPTIONS

The **Investment Return Assumption** for plan assets is 7.2%.

For determining plan liabilities, the **Discount Rate** is 5.0% for retired participants, 5.0% for active and inactive participants following retirement, and 7.2% for active participants prior to their retirement. A valuation performed assuming 5.5% discount rate for all participants at all stages of life, reproduces the results of an actuarial valuation using the 5% post-retirement and 7.2% pre-retirement assumptions. Thus, it can be said that **the net discount rate assumed in the valuations was 5.5% per year, compounded annually (net after administrative expenses).**

The **Wage Inflation Rate** assumed in this valuation was 3.20% per year. The wage inflation rate is defined to be the portion of total pay increases for an individual that are due to macroeconomic forces, including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects.

No specific **Price Inflation** assumption is required to perform this valuation because there are no benefits that are linked to price increases. However, a price inflation assumption on the order of 2.0% to 2.7% would be consistent with the other economic assumptions.

The assumed **Real Rate of Return** over wage inflation is defined to be the portion of total investment return that is more than the assumed total wage growth rate. Considering other economic assumptions, the 7.2% pre-retirement investment return rate translates to an assumed real rate of return over wage inflation of 4.0%. The assumed real rate of return over price inflation would be higher – on the order of 4.5% to 5.2%, considering both an inflation assumption and an average expense provision.

Pay increase assumptions for individual active participants are shown for sample services below. Part of the assumption for each age is for merit and/or seniority increase, and the other 3.2% recognizes wage inflation, including price inflation, productivity increases, and other macroeconomic forces.



% Increases in Salaries Next Year (Merit and Longevity)

% Merit and Longevity Increase Next Year

Service	General	University Teachers	Public School Teachers	Protective Occupation		
				With SS	Without SS	Executive/Elected
1	3.5%	3.2%	5.8%	4.8%	5.5%	2.0%
2	3.5%	3.2%	5.8%	4.8%	5.5%	2.0%
3	3.1%	3.1%	5.4%	4.1%	4.7%	2.0%
4	2.8%	3.0%	5.1%	3.5%	3.8%	1.9%
5	2.5%	2.9%	4.7%	2.8%	3.0%	1.9%
10	1.5%	2.4%	3.2%	1.1%	0.9%	1.6%
15	1.1%	1.7%	1.8%	0.8%	0.5%	1.2%
20	0.9%	1.1%	0.8%	0.7%	0.4%	0.7%
25	0.6%	0.8%	0.4%	0.6%	0.3%	0.4%
30	0.4%	0.6%	0.2%	0.5%	0.2%	0.3%

In addition to the merit and longevity increase, each person is assumed to get an economic increase of 3.2% each year.

The active population is assumed to remain constant. The active payroll is assumed to grow 3.2% per year. This increasing payroll was recognized in amortizing unfunded actuarial accrued liabilities.

DECREMENT PROBABILITIES

The mortality table used to measure mortality for participants was the Wisconsin Projected Experience Table for men and women. Sample retirement values from this table are shown below. This assumption is used to measure the probabilities of participants dying before retirement and the probabilities of each benefit payment being made after retirement.

Single Life Retirement Values (Retired Participants)

Wisconsin Projected Experience Table With 5% Interest:

Sample Attained Age	Present Value of \$1 Monthly for Life		Future Life Expectancy (Years)	
	Male	Female	Male	Female
40	\$209.20	\$214.70	42.9	46.1
45	200.43	207.06	38.1	41.3
50	189.60	197.69	33.3	36.5
55	176.75	186.37	28.7	31.8
60	162.35	172.92	24.4	27.2
65	145.13	156.75	20.1	22.7
70	125.71	137.76	16.1	18.4
75	104.34	116.43	12.4	14.3
80	82.05	93.57	9.0	10.7
85	61.28	70.89	6.3	7.6

The values shown above are for non-disabled participants. For disabled participants, the following table is used:



Single Life Retirement Values (Disabled Participants)

Wisconsin Projected Experience Table With 5% Interest

Sample Attained Age	Present Value of \$1 Monthly for Life		Future Life Expectancy (Years)	
	Male	Female	Male	Female
40	\$195.27	\$204.53	35.7	39.9
45	183.23	194.56	30.9	35.1
50	169.52	182.61	26.4	30.4
55	153.66	168.39	22.1	25.8
60	135.14	151.44	18.0	21.4
65	114.76	131.73	14.1	17.2
70	92.83	109.91	10.6	13.2
75	71.03	86.92	7.6	9.7
80	52.06	64.92	5.2	6.8
85	36.73	47.23	3.5	4.7

The active participant mortality assumption is used to measure the probability of participants becoming deceased while in service.

Active Participant Mortality Rates

Sample Attained Age	Mortality Rates	
	Male	Female
20	0.000155	0.000089
25	0.000184	0.000097
30	0.000229	0.000129
35	0.000398	0.000230
40	0.000540	0.000329
45	0.000717	0.000519
50	0.000966	0.000765
55	0.002228	0.001345
60	0.003147	0.001935
65	0.004814	0.002974
70	0.007979	0.005057
75	0.013576	0.009155
80	0.024949	0.017103



Rates of Retirement for Those Eligible to Retire—Normal Retirement Pattern
Normal Retirement Pattern

% Retiring Next Year									
Age	General		Public School		University		Protective		Exec & Elected
	Male	Female	Male	Female	Male	Female	With S.S.	W/OS.S.	
50	%	%	%	%	%	%	6%	4%	%
51							7	4	
52							8	5	
53							23	17	
54							18	25	
55							17	21	
56							16	27	
57	20	17	40	27	13	14	16	30	15
58	20	17	35	27	13	14	16	30	15
59	20	17	25	27	13	13	16	30	15
60	20	20	28	27	13	13	18	26	10
61	20	20	25	27	13	19	18	15	13
62	27	27	36	34	15	19	22	20	13
63	32	28	32	27	15	19	29	40	12
64	24	25	24	23	15	18	16	40	12
65	24	25	24	28	15	22	30	40	12
66	30	29	25	30	20	23	20	40	20
67	24	20	24	28	18	17	15	40	17
68	17	18	24	26	18	17	25	40	15
69	17	18	24	20	18	17	20	40	15
70	17	18	20	20	20	20	100	100	13
71	17	18	20	20	20	20	100	100	13
72	17	15	20	20	15	20	100	100	25
73	17	15	20	20	15	20	100	100	10
74	17	15	20	20	15	20	100	100	10
75	100	100	100	100	100	100	100	100	100



Rates of Retirement for Those Eligible to Retire—Early Retirement Pattern

Age	General		Public School		University		Exec & Elected
	Male	Female	Male	Female	Male	Female	
55	8.0%	6.1%	12.0%	11.0%	4.8%	5.5%	4.5%
56	8.0	6.4	12.0	11.0	3.0	5.5	4.5
57	4.3	4.2	12.0	11.0	2.0	4.0	4.5
58	5.3	5.5	12.0	11.0	2.5	4.0	4.5
59	5.5	5.3	12.0	11.0	4.0	6.5	4.5
60	7.5	8.1	12.0	15.0	4.0	6.5	4.5
61	8.0	7.0	12.0	15.0	7.5	7.5	4.5
62	14.0	15.0	20.0	20.0	7.0	10.0	
63	16.0	15.0	20.0	20.0	7.5	10.0	
64	17.0	15.0	20.0	20.0	8.0	13.0	

The assumed rates of separation from employment prior to service retirement due to disability and other causes are shown below for sample ages. For other terminations it was assumed that a percentage depending on age of participants terminating after age 35 with five or more years service will leave their contributions on deposit and be paid a benefit at normal retirement age and that the remaining participants would take a separation benefit. The percentage taking a separation benefit is 25% at age 35, grading downward to 0% at retirement eligibility. All participants terminating prior to normal retirement age with less than five years of service were assumed to take a separation benefit.



**Assumed Termination Rates
% of Active Participants Terminating**

Age & Service	Protective		Public School		University		Exec. & Elected	Other		
	With S.S.	W/O S.S.	Male	Female	Male	Female		Male	Female	
0	15.0%	4.0%	17.7%	15.0%	18.3%	22.0%	20.0%	17.5%	19.5%	
1	7.0	3.5	11.4	10.5	15.0	15.0	14.0	13.0	13.5	
2	4.3	2.1	7.3	7.1	11.3	12.5	14.0	8.5	10.0	
3	3.8	1.3	5.2	5.5	9.6	10.0	10.0	6.8	8.0	
4	3.4	1.2	3.9	4.6	8.5	9.5	10.0	6.0	7.4	
5	2.6	1.1	3.0	4.0	7.5	8.0	9.0	4.5	6.0	
6	2.5	1.0	2.8	3.5	7.0	7.0	8.5	4.0	5.0	
7	2.3	0.9	2.5	3.0	5.5	6.0	8.0	3.5	4.5	
8	2.0	0.8	2.0	2.5	4.3	5.0	7.5	3.0	4.0	
9	1.7	0.7	1.8	2.3	3.2	4.0	7.0	2.5	3.8	
25	10 & Over	1.7	0.7	1.8	2.2	3.2	5.0	6.0	2.5	3.8
30		1.6	0.7	1.4	1.9	3.2	4.5	5.1	2.5	3.3
35		1.4	0.7	1.2	1.4	3.1	4.0	4.2	2.1	2.8
40		1.2	0.6	1.1	1.1	2.7	3.4	3.7	1.6	2.2
45		1.1	0.6	1.0	0.9	2.1	2.6	3.3	1.3	1.8
50		1.0	0.5	1.0	0.9	1.6	1.8	3.1	1.1	1.6
55		1.0	0.5	1.0	0.9	1.4	1.5	3.0	1.1	1.5
60		1.0	0.5	1.0	0.9	1.4	1.5	3.0	1.1	1.5

**Disability Rates
% of Active Participants Becoming Disabled**

Age	Protective		Public School		University		Exec. & Elected		General	
	With S.S.	W/O S.S.	Male	Female	Male	Female	Male	Female	Male	Female
20	0.01	0.04	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.01%	0.01%
25	0.01	0.04	0.01	0.01	0.01	0.01	0.00	0.00	0.01	0.01
30	0.01	0.04	0.01	0.01	0.01	0.01	0.00	0.00	0.01	0.03
35	0.02	0.04	0.01	0.01	0.01	0.03	0.01	0.01	0.01	0.04
40	0.03	0.07	0.02	0.02	0.01	0.04	0.01	0.01	0.04	0.05
45	0.05	0.13	0.04	0.06	0.02	0.04	0.01	0.01	0.07	0.07
50	0.08	0.74	0.11	0.12	0.04	0.07	0.02	0.02	0.15	0.11
55	1.21	0.54	0.21	0.17	0.11	0.10	0.09	0.09	0.29	0.20
60	2.04	0.16	0.34	0.25	0.14	0.15	0.11	0.11	0.51	0.29



Summary of Member Valuation Data

General Participants & Teachers

Valuation Date	Participating Employers	Active Participants	Annual Payroll (in millions \$)	Annual Average Pay	% Increase In Average Pay
12/31/03	1,344	239,696	9,272.8	38,686.00	3.5%
12/31/04	1,361	238,943	9,501.0	39,764.00	2.8%
12/31/05	1,376	237,501	9,661.1	40,678.00	2.3%
12/31/06	1,392	236,877	9,933.5	41,935.00	3.1%
12/31/07	1,404	237,124	10,277.9	43,344.00	3.4%
12/31/08	1,431	238,994	10,806.3	45,216.00	4.3%
12/31/09	1,438	240,401	11,098.1	46,165.00	2.1%
12/31/10	1,444	239,959	11,195.4	46,655.00	1.1%
12/31/11	1,450	232,518	10,947.0	47,080.00	0.9%
12/31/12	1,450	231,765	11,041.0	47,639.00	1.2%

Executive Group & Elected Officials

Valuation Date	Participating Employers	Active Participants	Annual Payroll (in millions \$)	Annual Average Pay	% Increase In Average Pay
12/31/03	284	1,468	85.6	58,336	-0.9%
12/31/04	274	1,469	89.0	60,379	3.5%
12/31/05	275	1,452	89.7	61,788	2.3%
12/31/06	272	1,436	92.6	64,480	4.4%
12/31/07	270	1,427	94.6	66,320	2.9%
12/31/08	259	1,430	100.6	70,316	6.0%
12/31/09	258	1,427	101.0	70,786	0.7%
12/31/10	254	1,418	101.2	71,394	0.9%
12/31/11	257	1,393	98.6	70,802	-0.8%
12/31/12	249	1,408	104.1	73,968	4.5%

Protective with Social Security

Valuation Date	Participating Employers	Active Participants	Annual Payroll (in millions \$)	Annual Average Pay	% Increase In Average Pay
12/31/03	485	18,660	856.3	45,891	4.6%
12/31/04	491	18,964	896.0	47,266	3.0%
12/31/05	495	19,036	920.0	48,330	2.3%
12/31/06	502	19,297	976.9	50,622	4.7%
12/31/07	508	19,757	1,035.6	52,419	3.5%
12/31/08	509	20,038	1,099.3	54,859	4.7%
12/31/09	509	20,205	1,124.1	55,636	1.4%
12/31/10	510	20,019	1,124.7	56,184	1.0%
12/31/11	510	19,610	1,119.0	57,065	1.6%
12/31/12	508	19,353	1,105.1	57,104	0.1%



Summary of Member Valuation Data

Protective Without Social Security

Valuation Date	Participating Employers	Active Participants	Annual Payroll (in millions \$)	Annual Average Pay	% Increase In Average Pay
12/31/03	54	2,714	153.8	56,673	3.8%
12/31/04	54	2,709	159.0	58,546	3.3%
12/31/05	55	2,689	162.0	60,241	2.9%
12/31/06	55	2,692	167.3	62,153	3.2%
12/31/07	55	2,695	173.7	64,449	3.7%
12/31/08	55	2,724	181.2	66,502	3.2%
12/31/09	57	2,733	189.0	69,149	4.0%
12/31/10	58	2,754	188.8	68,559	-0.9%
12/31/11	57	2,711	189.5	69,898	2.0%
12/31/12	57	2,727	193.5	70,949	1.5%

All Participants

Valuation Date	Participating Employers	Active Participants	Annual Payroll (in millions \$)	Annual Average Pay	% Increase In Average Pay
12/31/03	1,380	262,538	10,369	39,493	4.6%
12/31/04	1,397	262,085	10,645	40,617	2.8%
12/31/05	1,412	260,678	10,833	41,556	2.3%
12/31/06	1,432	260,302	11,170	42,913	3.3%
12/31/07	1,438	261,003	11,582	44,374	3.4%
12/31/08	1,462	263,186	12,187	46,307	4.4%
12/31/09	1,469	264,766	12,512	47,258	2.1%
12/31/10	1,474	264,150	12,610	47,738	1.0%
12/31/11	1,480	256,232	12,354	48,215	1.0%
12/31/12	1,478	255,253	12,444	48,750	1.1%



**Summary of Accrued and Unfunded Accrued Liabilities
(\$ in Millions)**

Valuation Year	Aggregate Accrued Liabilities	Valuation Assets	Assets as a % of Accrued Liabilities	Unfunded Accrued Liabilities	Annual Active Member Payroll	UAL as a % of Annual Active Member Payroll
2003	63,211.7	62,685.3	99.2%	526.4	10,502.4	5.0%
2004	66,622.3	66,209.4	99.4%	412.9	10,897.6	3.8%
2005	68,987.5	68,615.1	99.5%	372.4	10,973.4	3.4%
2006	73,735.8	73,415.3	99.6%	320.5	11,308.2	2.8%
2007	80,079.7	79,791.9	99.6%	287.8	11,720.2	2.5%
2008	77,412.0	77,159.4	99.7%	252.6	12,289.6	2.1%
2009	79,104.6	78,911.3	99.8%	193.3	12,622.2	1.5%
2010	80,758.8	80,626.9	99.8%	131.9	12,744.0	1.0%
2011	79,039.3	78,940.0	99.9%	99.3	12,855.6	0.8%
2012	78,682.7	78,613.0	99.9%	69.7	12,627.6	0.6%

**Solvency Test
(\$ in Millions)**

Valuation Year	Valuation Assets	Accrued Liability For				Percent Funded			
		Annuitants and Beneficiaries	Active Member Contrib.	Employer's Contrib.	Total	Annuitants and Beneficiaries	Active Member Contrib.	Employer's Contrib.	Total
2003	62,685.3	28,707.8	14,503.1	20,000.8	63,211.7	100.0%	100.0%	97.4%	99.2%
2004	66,209.4	30,829.9	15,050.3	20,742.1	66,622.3	100.0%	100.0%	98.0%	99.4%
2005	68,615.1	32,668.0	15,155.3	21,164.2	68,987.5	100.0%	100.0%	98.2%	99.5%
2006	73,415.3	35,774.7	15,902.4	22,058.7	73,735.8	100.0%	100.0%	98.5%	99.6%
2007	79,791.9	39,675.1	16,795.4	23,609.2	80,079.7	100.0%	100.0%	98.8%	99.6%
2008	77,159.4	38,372.6	16,045.3	22,994.1	77,412.0	100.0%	100.0%	98.9%	99.7%
2009	78,911.3	39,734.2	16,156.6	23,213.8	79,104.6	100.0%	100.0%	99.2%	99.8%
2010	80,626.9	41,139.0	16,253.6	23,366.2	80,758.8	100.0%	100.0%	99.4%	99.8%
2011	78,940.0	43,609.4	14,434.4	20,995.5	79,039.3	100.0%	100.0%	99.5%	99.9%
2012	78,613.0	44,055.5	14,401.1	20,226.1	78,682.7	100.0%	100.0%	99.7%	99.9%



WISCONSIN RETIREMENT SYSTEM CONTRIBUTION RATES

NOTES TO CONTRIBUTION RATE SCHEDULE

1. Prior to June 28, 2011 the employee contribution rate was set by Wis. Stats. § 40.05 (1) and part or all of the required employee contributions could be paid by the employer on behalf of the employee. Effective June 28, 2011 the employee contribution rate for general and executive/elected category employees is equal to one half the total required contributions, and the protective category employee contribution rate is equal to the general category rate. Employers may not pay the employee contribution on their behalf unless provided for by an existing collective bargaining agreement.

2. The unfunded liability was recalculated in 1990 to reflect benefit improvements and is being amortized on a level percentage of salary basis over a period of 40 years beginning January 1, 1990, for the employers in the WRS prior to 2009, or on the effective date of the employer's participation, whichever is later. Prior service rates vary by employers. Liabilities for employers joining the WRS beginning in 2009 are amortized over 30 years. The percentage reported represents a weighted average.

General (Includes Teachers)

	Current Cost	Prior Cost	Employer Total	Employee	BAC	Total
2003	4.0%	1.2%	5.2%	5.0%	0.4%	10.6%
2004	4.2%	1.0%	5.2%	5.0%	0.6%	10.8%
2005	4.4%	0.3%	4.7%	5.0%	0.8%	10.5%
2006	4.5%	0.2%	4.7%	5.0%	0.9%	10.6%
2007	4.6%	0.2%	4.8%	5.0%	1.0%	10.8%
2008	4.6%	0.2%	4.8%	5.0%	1.0%	10.8%
2009	4.5%	0.2%	4.7%	5.0%	0.9%	10.6%
2010	4.8%	0.2%	5.0%	5.0%	1.2%	11.2%
2011	5.1%	0.1%	5.2%	5.0%	1.5%	11.7%
2011*	5.8%	0.1%	5.9%	5.8%	0.0%	11.7%
2012	5.9%	0.1%	6.0%	5.9%	0.0%	11.9%

Executive Group and Elected Officials

	Current Cost	Prior Cost	Employer Total	Employee	BAC	Total
2003	8.1%	1.0%	9.1%	2.6%	0.0%	11.7%
2004	8.1%	0.8%	8.9%	2.6%	0.0%	11.5%
2005	8.3%	0.1%	8.4%	2.8%	0.0%	11.2%
2006	8.4%	0.1%	8.5%	2.9%	0.0%	11.4%
2007	8.5%	0.1%	8.6%	3.0%	0.0%	11.6%
2008	8.5%	0.1%	8.6%	3.0%	0.0%	11.6%
2009	8.5%	0.0%	8.5%	3.0%	0.0%	11.5%
2010	8.7%	0.0%	8.7%	3.2%	0.0%	11.9%
2011	9.4%	0.0%	9.4%	3.9%	0.0%	13.3%
2011*	6.65%	0.0%	6.65%	6.65%	0.0%	13.3%
2012	7.05%	0.0%	7.05%	7.05%	0.0%	14.1%

* 2011 WI Act 10 adjusted employee and employer contribution rates effective June 28, 2011



WISCONSIN RETIREMENT SYSTEM CONTRIBUTION RATES

	Protective with Social Security						
	Current Cost	Prior Cost	Duty Disability	Employer Total	Employee	BAC	Total
2003	7.1%	0.6%	3.9%	11.6%	4.0%	0.0%	15.6%
2004	7.6%	0.4%	3.8%	11.8%	4.5%	0.0%	16.3%
2005	8.0%	0.1%	3.8%	11.9%	4.9%	0.0%	16.8%
2006	8.1%	0.1%	3.8%	12.0%	5.0%	0.0%	17.0%
2007	8.2%	0.1%	3.9%	12.2%	5.1%	0.0%	17.3%
2008	8.2%	0.1%	3.9%	12.2%	5.1%	0.0%	17.3%
2009	8.1%	0.1%	3.9%	12.1%	5.0%	0.0%	17.1%
2010	8.6%	0.0%	3.9%	12.5%	5.5%	0.0%	18.0%
2011	8.9%	0.0%	4.0%	12.9%	5.8%	0.0%	18.7%
2011*	8.9%	0.0%	4.0%	12.9%	5.8%	0.0%	18.7%
2012	9.0%	0.0%	4.0%	13.0%	5.9%	0.0%	18.9%

	Protective without Social Security						
	Current Cost	Prior Cost	Duty Disability	Employer Total	Employee	BAC	Total
2003	9.8%	1.5%	3.9%	15.2%	2.4%	0.0%	17.6%
2004	10.6%	1.2%	3.8%	15.6%	3.2%	0.0%	18.8%
2005	10.7%	0.6%	3.8%	15.1%	3.3%	0.0%	18.4%
2006	10.7%	0.4%	3.8%	14.9%	3.3%	0.0%	18.2%
2007	10.8%	0.4%	3.9%	15.1%	3.4%	0.0%	18.5%
2008	10.8%	0.4%	3.9%	15.1%	3.4%	0.0%	18.5%
2009	10.6%	0.3%	3.9%	14.8%	3.2%	0.0%	18.0%
2010	11.3%	0.3%	3.9%	15.5%	3.9%	0.0%	19.4%
2011	12.2%	0.3%	4.0%	16.5%	4.8%	0.0%	21.3%
2011*	11.2%	0.3%	4.0%	15.5%	5.8%	0.0%	21.3%
2012	11.3%	0.3%	4.0%	15.6%	5.9%	0.0%	21.5%

* 2011 WI Act 10 adjusted employee and employer contribution rates effective June 28, 2011



ANALYSIS OF ACTUARIAL EXPERIENCE

Gains and Losses in Accrued Liabilities during 2012 Resulting from Differences
Between Assumed Experience & Actual Experience

(\$ in millions)

Type of Activity	General	Executive & Elected	Protective With Social Security	Protective Without Social Security	Total
Normal Retirement If members retire at older ages or with lower final average pay than assumed, there is a gain. If younger ages or higher pay, there is a loss.	\$ (4.7)	\$ 2.2	\$ (13.7)	\$ (1.1)	\$ (17.3)
Early Retirement If fewer members choose early retirement than assumed, there is a loss. If more early retirements, there is a gain.	(30.9)	(0.2)	(0.9)	0.5	(31.5)
Death with Benefit If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	0.5	0.0	0.0	(0.1)	0.4
Disability Retirement If disability claims are less than assumed, there is a gain. If more claims, a loss.	15.2	0.1	1.5	0.6	17.4
Other Separations If more liabilities are released by separations than assumed, there is a gain. If smaller releases, a loss.	20.2	(1.9)	(0.8)	(1.2)	16.3
Salary Increases If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	610.0	1.4	100.8	6.2	718.4
Investment Return If there is greater investment income than assumed, there is a gain. If less income, a loss.	(1,058.3)	(13.0)	(154.4)	(40.3)	(1,266.0)
Other	(82.8)	4.3	(10.0)	(3.7)	(92.2)
Total Gain (Loss)	\$ (530.8)	\$ (7.1)	\$ (77.5)	\$ (39.1)	\$ (654.5)
% of accrued liability	(1.8)%	(3.0)%	(2.3)%	(4.5)%	(1.9)%



Wisconsin Retirement System Changes in Number of Annuities

Year	Annuity Type	Beginning	Additions	Deletions	Ending
2012	Retirement	160,044	9,322	3,400	165,966
	Disability	6,201	183	(89)	6,473
	Beneficiary	1,208	67	59	1,216
	Total	167,453	9,572	3,370	173,655
2011	Retirement	148,380	15,096	3,432	160,044
	Disability	6,194	196	189	6,201
	Beneficiary	1,201	60	53	1,208
	Total	155,775	15,352	3,674	167,453
2010	Retirement	143,261	8,330	3,211	148,380
	Disability	6,224	159	189	6,194
	Beneficiary	1,186	69	54	1,201
	Total	150,671	8,558	3,454	155,775
2009	Retirement	136,502	7,779	1,020	143,261
	Disability	6,397	156	329	6,224
	Beneficiary	1,134	73	21	1,186
	Total	144,033	8,008	1,370	150,671
2008	Retirement	135,026	8,165	6,689	136,502
	Disability	6,558	174	335	6,397
	Beneficiary	1,322	61	249	1,134
	Total	142,906	8,400	7,273	144,033
2007	Retirement	129,289	8,186	2,449	135,026
	Disability	6,505	157	104	6,558
	Beneficiary	1,323	47	48	1,322
	Total	137,117	8,390	2,601	142,906
2006	Retirement	123,945	7,859	2,515	129,289
	Disability	6,415	163	73	6,505
	Beneficiary	1,314	43	34	1,323
	Total	131,674	8,065	2,622	137,117
2005	Retirement	118,572	7,844	2,471	123,945
	Disability	6,346	150	81	6,415
	Beneficiary	1,293	58	37	1,314
	Total	126,211	8,052	2,589	131,674
2004	Retirement	114,038	7,142	2,608	118,572
	Disability	6,272	147	73	6,346
	Beneficiary	1,272	56	35	1,293
	Total	121,582	7,345	2,716	126,211
2003	Retirement	108,901	7,308	2,171	114,038
	Disability	6,158	177	63	6,272
	Beneficiary	1,230	68	26	1,272
	Total	116,289	7,553	2,260	121,582
2002	Retirement	104,910	6,915	2,924	108,901
	Disability	6,009	191	42	6,158
	Beneficiary	1,223	53	46	1,230
	Total	112,142	7,159	3,012	116,289



INVESTMENTS

**State of Wisconsin
Department of
Employee Trust Funds**



INVESTMENTS

The State of Wisconsin Investment Board (SWIB) is the state agency that invests the assets of the Wisconsin Retirement System (WRS) and other trust funds established by the State of Wisconsin. The WRS Trust Funds make up about 93% of the assets managed by SWIB. The effect of investment returns on WRS participants, determined by the Department of Employee Trust Funds, is based on the rate of return as of December 31, 2012.

SWIB publishes an annual report and a schedule of investments that includes all investment holdings as of the end of the fiscal year. To view these publications online, go to <http://www.swib.state.wi.us> or call (608) 266-3281 to request paper copies.

BOARD OF TRUSTEES

SWIB is directed by an independent Board of Trustees and staffed with professional money managers and support personnel. The SWIB Board of Trustees consists of nine members meeting specific membership requirements, as directed by Wis. Stat. § 15.76. The Board of Trustees appoints the SWIB executive director. The executive director oversees the staff, develops and recommends agency and investment policies for board adoption, and ensures adherence to state and federal law and policies. Trustee responsibilities include establishing asset allocation, investment guidelines, and performance benchmarks.

Membership on the Board of Trustees as of December 31, 2012 is as follows:

1. Six public members appointed by the governor, four of whom must have at least 10 years investment experience and one of whom must have at least 10 years of financial experience and be employed by a local government active in the Local Government Investment Pool, a fund managed by SWIB.

Chair: Lon Roberts (Public Member)
Attorney, Ruder Ware, Wausau

Vice Chair: Thomas Boldt (Public Member)
President, The Boldt Group, Inc. /CEO, The Boldt Co., Appleton

Norman Cummings (Local Government Member)
Waukesha County Director of Administration, Waukesha

William Levit, Jr. (Public Member)
Attorney, Godfrey & Kahn S.C., Milwaukee

Bruce Colburn (Public Member)
Director, Central States Property Services Division, Services Employees International Union, Milwaukee County

Vacant

2. Two participants in the WRS, one must be a teacher member appointed by the Teachers Retirement Board; the other must be a non-teacher participant appointed by the Wisconsin Retirement Board.

Wayne McCaffery (WRS participant, Teachers Retirement Board appointee)
Retired Teacher, Stevens Point Area Senior High School

David Stella (WRS participant, Wisconsin Retirement Board appointee)
Secretary, Department of Employee Trust Funds

3. The Secretary of the Wisconsin Department of Administration (DOA) or designee.

Michael Huebsch
Secretary, DOA



CONTRIBUTIONS PAID AND EMPLOYER UNFUNDED LIABILITY BALANCES

State of Wisconsin
Department of
Employee Trust Funds



Name	Contributions				Unfunded Liability Balance
	Covered Payroll	Employer Paid*	Employee Paid	Total	
State Agencies					
Administration, Dept of	56,806,443	4,320,684	3,374,299	7,694,984	0
Agric Trade Cons Prot, Dept of	26,970,592	1,928,572	1,604,924	3,533,495	0
Bd For People With Develop Dis	341,362	24,237	20,140	44,377	0
Board Aging & Long Term Care	1,405,597	99,797	82,931	182,728	0
Brd Of Commsrs Of Public Lands	664,117	47,153	39,183	86,335	0
Children & Families, Dept of	36,081,749	2,570,960	2,137,969	4,708,930	0
Corrections, Dept. of	477,678,433	49,205,090	28,197,977	77,403,066	0
Courts - State	68,788,488	5,285,690	4,461,689	9,747,379	0
District Attorneys	31,378,077	2,307,068	1,930,528	4,237,596	0
Educational Communications Bd	2,951,632	214,517	179,097	393,614	0
Employee Trust Funds, Dept of	12,953,276	924,802	769,358	1,694,160	0
Employment Relations Comm	1,541,670	113,545	95,045	208,590	0
Employment Relations, Office of	2,541,610	187,239	156,740	343,979	0
Executive Office	1,869,702	134,404	111,967	246,370	0
Financial Institutions, Dept	7,688,015	555,995	463,741	1,019,736	0
Fox River Navigation Sys Auth	128,453	9,129	7,570	16,699	0
Government Accountability Bd	1,839,126	134,504	112,435	246,939	0
Health Services, Dept of	269,309,417	21,226,437	15,899,501	37,125,938	0
Higher Educational Aids Bd	473,816	34,415	28,729	63,144	0
Historical Society - State	8,570,972	616,650	513,788	1,130,438	0
Insurance Commissioner's Office	8,718,270	622,894	518,272	1,141,166	0
Investment Board	18,800,040	1,378,560	1,152,963	2,531,522	0
Judicial Commission	125,312	9,833	8,329	18,161	0
Judicial Council	58,356	4,143	3,443	7,586	0
Justice, Dept of	33,965,696	2,815,829	2,014,852	4,830,681	0
Legis Assembly-Chief Clerk	12,820,924	966,343	812,179	1,778,522	0
Legis Assembly-Sgt At Arms	328,199	24,093	20,155	44,247	0
Legislative Audit Bureau	4,761,093	339,363	282,122	621,485	0
Legislative Council Staff	2,077,566	148,929	123,999	272,928	0
Legislative Fiscal Bureau	2,335,046	167,344	139,324	306,668	0
Legislative Reference Bureau	3,343,918	238,821	198,693	437,514	0
Legislative Tech Serv Bureau	2,383,102	170,533	141,758	312,291	0
Legislature-Senate	8,670,754	634,536	530,494	1,165,030	0
Lieutenant Governor's Office	217,849	17,127	14,512	31,639	0
Lower Wis. State Riverway Bd	104,636	7,429	6,174	13,603	0
Military Affairs, Dept of	18,754,413	1,798,201	1,111,739	2,909,940	0
Natural Resources, Dept of	137,584,137	12,119,803	8,131,252	20,251,055	0
Public Defender's Office	34,455,945	2,450,082	2,036,321	4,486,403	0
Public Instruction, Dept of	32,891,053	2,345,576	1,950,878	4,296,454	0
Public Service Commission	8,853,528	644,439	538,198	1,182,637	0
Revenue, Dept of	50,678,267	3,638,822	3,001,192	6,640,014	0
Safety & Profess Services, Dept	15,925,340	1,140,178	949,073	2,089,252	0
Secretary of State's Office	190,131	14,705	12,423	27,128	0
State Fair Park Board	3,356,621	245,744	198,887	444,631	0
Tourism, Department of	1,704,447	125,336	104,598	229,934	0
Transportation, Dept of	177,336,980	16,738,426	9,112,472	25,850,897	0
Treasurer'S Office - State	482,953	35,944	30,148	66,092	0
Veterans Affairs, Dept of	48,562,428	3,475,164	2,871,719	6,346,883	0
Wis Tech College System Bd	3,815,017	276,457	230,676	507,133	0
Wisconsin Econ Develop Corp	5,443,441	321,165	321,161	642,326	0
Workforce Development, Dept of	77,258,717	5,501,718	4,574,586	10,076,305	0
Total State Agencies	1,725,986,726	148,358,421	101,330,201	249,688,622	0
Public Authorities					
Health & Educ Facilities Auth	311,889	45,848	0	45,848	0
Hlth Ins Risk-Sharmg Plan Auth	441,692	26,060	26,060	52,120	0
Housing & Econ Develop Auth	10,379,808	736,966	612,410	1,349,375	0
UW Hospital Authority	397,411,527	48,204,993	8,227,443	56,432,437	9,069,771
Wiscraft Inc - Ent For Blind	1,386,057	176,948	46,207	223,155	514,399
Total Public Authorities	409,930,972	49,190,815	8,912,120	58,102,934	9,584,170
University Of Wisconsin System	1,751,617,669	125,576,709	103,204,935	228,781,644	0
Total State of Wisconsin	3,887,535,367	323,125,944	213,447,256	536,573,200	9,584,170
Cities					
Abbotsford City Of	472,758	47,661	8,124	55,785	0
Adams, City Of	737,300	74,946	31,516	106,462	81,189



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Algoma, City Of	3,499,405	244,633	186,718	431,351	0
Alma, City Of	240,220	18,313	12,393	30,706	32,942
Altoona, City Of	1,701,281	163,349	71,063	234,412	0
Amery, City Of	1,166,811	115,868	43,844	159,712	7,270
Antigo, City Of	3,963,581	629,460	36,228	665,688	0
Appleton, City Of	36,746,545	4,090,864	1,353,931	5,444,794	0
Arcadia, City Of	228,357	38,064	2,127	40,191	2,045
Ashland, City Of	4,965,086	733,516	68,267	801,783	0
Augusta, City Of	499,689	52,908	16,034	68,943	0
Baraboo, City Of	5,086,420	512,949	206,623	719,572	0
Barron, City Of	1,532,512	125,459	72,559	198,018	0
Bayfield, City Of	616,549	46,067	34,952	81,019	0
Beaver Dam, City Of	6,291,631	932,414	99,532	1,031,945	2,124,258
Beloit, City Of	21,239,188	2,599,525	907,036	3,506,561	0
Berlin, City Of	2,121,439	224,025	83,894	307,919	513,047
Black River Falls, City Of	2,324,828	215,011	87,585	302,596	0
Blair, City Of	346,839	24,986	20,463	45,449	0
Bloomer, City Of	355,662	56,212	3,539	59,751	0
Boscobel, City Of	1,269,110	140,901	24,299	165,200	0
Brillion, City Of	867,167	85,243	39,392	124,635	0
Brodhead, City Of	1,426,334	131,154	58,713	189,867	0
Brookfield, City Of	21,392,538	2,617,028	966,307	3,583,335	0
Buffalo City, City Of	50,512	2,986	2,975	5,960	0
Burlington, City Of	4,202,475	519,917	62,378	582,295	0
Cedarburg, City Of	5,501,583	603,941	179,503	783,444	0
Chetek, City Of	263,831	45,643	0	45,643	0
Chilton, City Of	1,098,171	126,018	20,657	146,676	0
Chippewa Falls, City Of	6,549,434	901,467	178,270	1,079,738	0
Clintonville, City Of	2,478,598	231,476	146,238	377,714	1,073,922
Colby, City Of	347,582	21,388	19,626	41,015	0
Columbus, City Of	2,293,846	208,934	97,288	306,222	0
Cornell, City Of	506,115	38,011	27,063	65,074	0
Crandon, City Of	596,499	48,392	30,482	78,874	0
Cuba City, City Of	645,926	45,693	38,110	83,803	0
Cudahy, City Of	8,100,570	1,160,196	238,774	1,398,970	0
Cumberland, City Of	932,970	102,274	20,149	122,423	0
Darlington, City Of	860,425	73,580	40,276	113,856	0
De Pere, City Of	8,555,923	1,191,561	154,867	1,346,428	0
Delafield, City Of	2,429,555	290,283	49,440	339,722	0
Delavan, City Of	3,319,338	324,701	132,009	456,710	(199)
Dodgeville, City Of	1,384,657	180,936	2,511	183,446	0
Durand, City Of	507,916	36,689	29,944	66,633	0
Eagle River, City Of	1,439,581	103,196	84,914	188,110	0
Eau Claire, City Of	30,371,385	3,891,141	1,000,515	4,891,656	0
Edgerton, City Of	1,568,961	156,325	59,824	216,149	0
Elkhorn, City Of	3,485,605	408,794	57,397	466,190	0
Elroy, City Of	733,719	49,868	43,048	92,916	0
Evansville, City Of	1,881,370	174,108	74,997	249,105	0
Fennimore, City Of	1,081,704	104,900	35,529	140,429	0
Fitchburg, City Of	9,789,513	1,197,945	204,897	1,402,842	0
Fond Du Lac, City Of	19,943,244	2,714,413	652,077	3,366,489	0
Fort Atkinson, City Of	4,461,623	551,820	115,211	667,031	1,284,211
Fountain City, City Of	164,788	11,599	9,723	21,321	0
Fox Lake, City Of	531,626	44,719	28,737	73,455	81,540
Franklin, City Of	7,721,479	1,660,118	0	1,660,118	0
Galesville, City Of	370,004	28,227	21,830	50,057	0
Gillett, City Of	573,555	47,207	33,840	81,046	11,364
Glendale, City Of	4,617,902	701,662	147,367	849,029	0
Glenwood, City Of	95,842	16,102	0	16,102	0
Green Bay, City Of	52,827,535	6,495,250	2,317,574	8,812,824	0
Green Lake, City Of	528,579	47,391	22,415	69,806	0
Greenfield, City Of	13,106,550	1,546,472	747,007	2,293,479	0
Greenwood, City Of	418,473	40,880	15,510	56,389	0
Hartford, City Of	6,611,208	582,414	288,600	871,014	0
Hayward, City Of	925,903	75,243	54,628	129,871	0
Hillsboro, City Of	509,439	35,466	30,057	65,523	0
Horicon, City Of	1,068,506	85,934	58,942	144,876	0
Hudson, City Of	4,569,308	430,078	183,051	613,129	0
Hurley, City Of	861,710	119,578	2,253	121,831	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Independence, City Of	353,846	29,965	20,877	50,842	16,843
Janesville, City Of	28,842,979	4,526,334	311,121	4,837,455	0
Jefferson, City Of	3,538,702	293,147	166,409	459,557	0
Juneau, City Of	907,124	75,571	40,541	116,113	0
Kaukauna, City Of	10,074,224	911,701	469,834	1,381,536	0
Kenosha, City Of	48,149,079	7,191,300	1,236,741	8,428,041	0
Kewaunee, City Of	1,005,031	137,978	15,018	152,997	439,478
Kiel, City Of	1,557,892	173,051	36,229	209,280	0
La Crosse, City Of	27,801,277	3,424,476	991,824	4,416,300	0
Ladysmith, City Of	1,678,680	194,883	26,397	221,280	0
Lake Geneva, City Of	4,550,044	530,233	98,916	629,149	0
Lake Mills, City Of	2,878,991	279,230	147,379	426,609	215,933
Lancaster, City Of	1,217,003	139,218	20,763	159,981	0
Lodi, City Of	1,184,675	110,464	42,256	152,720	0
Loyal, City Of	333,935	28,811	19,702	48,513	11,431
Madison, City Of	168,777,638	18,145,353	8,183,665	26,329,019	0
Manawa, City Of	503,444	51,451	21,283	72,734	96,589
Manitowoc, City Of	20,854,896	2,495,697	596,431	3,092,128	0
Marinette, City Of	5,416,915	691,040	178,975	870,016	0
Marion, City Of	139,407	15,753	8,225	23,978	8,869
Markesan, City Of	377,611	29,519	22,279	51,798	44,884
Marshfield, City Of	10,463,177	1,404,275	339,821	1,744,096	0
Mauston, City Of	1,393,299	189,072	0	189,072	44,269
Mayville, City Of	1,619,071	140,559	71,149	211,708	0
Medford, City Of	1,868,619	157,382	88,109	245,490	0
Mellen, City Of	283,826	20,327	16,745	37,073	0
Menasha, City Of	8,362,803	1,067,927	339,582	1,407,509	0
Menomonie, City Of	6,964,730	1,015,489	200,029	1,215,518	0
Mequon, City Of	6,874,121	824,336	234,372	1,058,708	634
Merrill, City Of	5,948,337	701,068	222,815	923,883	0
Middleton, City Of	8,598,384	825,531	356,050	1,181,582	0
Milton, City Of	1,708,190	195,518	37,333	232,851	0
Mineral Point, City Of	635,265	63,610	23,838	87,448	7,174
Mondovi, City Of	782,459	66,173	46,165	112,338	277,801
Monona, City Of	3,757,583	449,969	96,596	546,565	0
Monroe, City Of	4,436,095	435,647	175,519	611,166	0
Montello, City Of	352,398	27,853	20,759	48,612	47,411
Montreal, City Of	125,079	22,191	7,327	29,519	542,370
Mosinee, City Of	1,051,679	145,387	0	145,387	0
Muskego, City Of	6,840,930	804,381	271,471	1,075,852	0
Neenah, City Of	12,989,180	1,582,752	573,543	2,156,295	0
Neillsville, City Of	952,770	86,882	40,503	127,385	0
Nekoosa, City Of	1,139,976	144,692	8,234	152,926	0
New Berlin, City Of	14,417,918	1,905,368	518,543	2,423,911	0
New Holstein, City Of	1,601,589	148,017	58,156	206,173	0
New Lisbon, City Of	785,373	78,814	23,247	102,062	1,212
New London, City Of	3,954,005	393,894	129,779	523,674	0
New Richmond, City Of	4,125,975	431,371	139,781	571,152	207,228
Niagara, City Of	708,281	66,653	27,823	94,475	0
Oak Creek, City Of	17,193,232	2,257,586	599,555	2,857,142	0
Oconomowoc, City Of	7,422,278	646,002	342,456	988,457	0
Oconto Falls, City Of	1,319,081	149,789	21,080	170,869	0
Oconto, City Of	1,997,126	272,017	20,400	292,417	0
Omro, City Of	1,054,335	126,912	15,012	141,924	0
Onalaska, City Of	4,639,360	576,740	103,103	679,843	0
Oshkosh, City Of	32,171,661	4,165,983	1,016,906	5,182,889	10,255,576
Osseo, City Of	570,527	43,526	33,661	77,187	0
Owen, City Of	390,202	28,766	23,022	51,788	0
Park Falls, City Of	1,155,460	128,154	25,613	153,767	0
Peshtigo, City Of	308,314	51,797	0	51,797	0
Phillips, City Of	767,052	96,007	19,379	115,386	66,359
Pittsville, City Of	62,987	6,866	3,716	10,582	0
Platteville, City Of	3,996,268	354,490	172,106	526,596	0
Plymouth, City Of	3,762,776	336,183	161,049	497,232	0
Port Washington, City Of	4,577,339	465,096	221,387	686,483	0
Portage, City Of	3,656,266	400,955	124,776	525,731	0
Prairie Du Chien, City Of	1,818,568	182,077	67,084	249,162	0
Prescott, City Of	1,168,227	104,877	53,570	158,446	0
Princeton, City Of	490,139	37,624	28,845	66,469	(211)



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Racine, City Of	49,231,349	7,790,096	635,614	8,425,710	0
Reedsburg, City Of	4,625,931	382,436	222,308	604,744	0
Rhineland, City Of	5,611,749	684,786	232,727	917,512	1,202,161
Rice Lake, City Of	5,291,660	716,990	111,995	828,985	0
Richland Center, City Of	2,300,981	189,372	111,968	301,340	0
Ripon, City Of	2,671,915	251,325	103,234	354,559	0
River Falls, City Of	4,222,521	483,553	84,066	567,618	0
Schofield, City Of	331,590	31,123	8,005	39,128	0
Seymour, City Of	1,113,954	85,529	58,209	143,738	0
Shawano, City Of	3,204,552	376,465	61,092	437,557	0
Sheboygan Falls, City Of	2,366,211	236,913	87,083	323,996	0
Sheboygan, City Of	25,031,594	2,285,675	1,345,203	3,630,878	0
Shell Lake, City Of	480,443	35,485	28,346	63,831	0
Shullsburg, City Of	334,790	40,101	1,865	41,966	0
South Milwaukee, City Of	8,829,896	1,268,493	239,401	1,507,894	0
Sparta, City Of	2,829,669	323,903	64,768	388,671	0
Spooner, City Of	1,268,339	167,259	377	167,636	0
St Croix Falls, City Of	950,759	113,991	16,192	130,183	0
St Francis, City Of	4,719,376	647,170	224,512	871,681	0
Stanley, City Of	589,821	77,732	2,015	79,747	0
Stevens Point, City Of	11,941,917	1,626,712	347,218	1,973,930	0
Stoughton, City Of	5,269,948	485,167	203,958	689,124	1
Sturgeon Bay, City Of	5,212,335	653,916	88,511	742,427	0
Sun Prairie, City Of	3,203,767	548,868	5,384	554,252	0
Superior, City Of	13,716,076	1,707,133	551,785	2,258,919	0
Thorp, City Of	470,190	36,787	25,259	62,045	0
Tomah, City Of	3,849,131	445,374	69,771	515,146	0
Tomahawk, City Of	1,244,088	145,996	21,060	167,056	0
Two Rivers, City Of	6,871,925	966,174	269,563	1,235,737	3,901,697
Verona, City Of	3,577,784	360,957	129,342	490,298	0
Viroqua, City Of	1,598,637	212,828	79,597	292,425	1,438,592
Washburn, City Of	851,756	75,294	36,669	111,963	0
Waterloo, City Of	1,487,901	131,437	70,235	201,673	0
Watertown, City Of	8,895,587	948,909	326,957	1,275,865	0
Waukesha, City Of	33,811,630	5,022,835	472,119	5,494,954	0
Waupaca, City Of	2,728,461	287,681	118,073	405,754	0
Waupun, City Of	3,640,285	412,612	128,472	541,084	0
Wausau, City Of	16,948,587	2,052,839	734,692	2,787,531	0
Wautoma, City Of	669,370	51,612	39,464	91,076	0
Wauwatosa, City Of	27,970,861	3,527,435	1,220,919	4,748,354	0
West Allis, City Of	34,264,336	4,632,149	1,094,909	5,727,057	0
West Bend, City Of	14,264,784	1,956,167	454,453	2,410,620	0
Westby, City Of	750,854	61,082	35,217	96,299	0
Weyauwega, City Of	481,380	39,709	27,078	66,786	0
Whitehall, City Of	781,736	54,923	46,122	101,046	0
Whitewater, City Of	4,830,664	533,801	193,387	727,188	0
Wisconsin Dells, City Of	2,849,481	352,439	28,193	380,632	0
Wisconsin Rapids, City Of	13,432,752	1,934,605	115,956	2,050,561	0
Total Cities	1,223,005,314	150,151,085	42,543,861	192,694,946	24,037,890
Villages					
Adell, Village Of	93,758	5,532	5,532	11,063	0
Albany, Village Of	336,744	25,971	19,868	45,839	0
Allouez, Village Of	2,702,294	365,453	1,781	367,234	0
Amherst, Village Of	222,528	13,211	13,047	26,258	0
Argyle, Village Of	279,503	24,945	11,722	36,668	0
Arlington, Village Of	123,283	10,446	6,567	17,013	26,917
Ashwaubenon, Village Of	7,014,424	1,060,602	178,982	1,239,584	(4,176)
Athens, Village Of	219,115	15,375	12,654	28,029	0
Avoca, Village Of	103,319	6,947	6,096	13,043	0
Baldwin, Village Of	1,205,171	124,218	51,609	175,827	27,988
Balsam Lake, Village Of	327,721	24,079	19,336	43,415	14,368
Bangor, Village Of	697,852	51,731	35,607	87,338	0
Bay City, Village Of	88,447	5,222	5,214	10,437	0
Bayside, Village Of	2,650,672	276,488	87,018	363,505	0
Belgium, Village Of	316,321	18,674	18,652	37,326	0
Bellevue, Village Of	756,123	70,796	30,577	101,373	0
Bellevue, Village Of (Brown)	1,738,884	155,831	67,041	222,873	0
Belmont, Village Of	263,233	17,846	15,530	33,376	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Benton, Village Of	229,444	13,537	13,537	27,074	0
Big Bend, Village Of	377,789	34,174	20,740	54,914	0
Birchwood, Village Of	161,241	12,105	9,513	21,618	0
Birnamwood, Village Of	34,002	2,006	2,006	4,012	0
Biron, Village Of	277,725	16,794	15,978	32,772	0
Black Creek, Village Of	295,151	19,669	17,404	37,074	0
Black Earth, Village Of	308,741	36,431	0	36,431	0
Blanchardville, Village Of	161,489	9,528	9,528	19,056	0
Bloomfield, Village Of	309,626	18,268	18,268	36,536	0
Blue Mounds, Village Of	180,437	13,795	10,646	24,441	0
Blue River, Village Of	101,734	6,700	5,304	12,005	0
Boyceville, Village Of	331,002	29,687	19,529	49,216	34,298
Boyd, Village Of	180,970	18,088	4,512	22,600	0
Brandon, Village Of	206,990	12,215	12,210	24,425	0
Bristol, Village Of	722,599	82,197	24,791	106,988	298,277
Brooklyn, Village Of	276,167	18,052	16,294	34,346	0
Brown Deer, Village Of	4,380,258	492,214	138,010	630,224	0
Brownsville, Village Of	152,045	8,971	8,971	17,941	0
Browntown, Village Of	68,119	4,019	4,019	8,038	0
Bruce, Village Of	143,012	8,438	8,438	16,875	0
Butler, Village Of	885,620	107,980	23,409	131,390	0
Cadott, Village Of	579,063	46,498	28,930	75,428	0
Caledonia, Village Of (Racine)	7,667,019	1,181,215	179,562	1,360,777	0
Cambria, Village Of	217,589	12,838	12,838	25,676	0
Cambridge, Village Of	337,013	19,923	19,844	39,768	0
Cameron, Village Of	386,756	29,873	22,819	52,692	0
Camp Douglas, Village Of	104,410	7,230	5,161	12,391	0
Campbellsport, Village Of	434,141	53,332	0	53,332	0
Cascade, Village Of	112,789	13,309	0	13,309	0
Casco, Village Of	53,867	3,188	3,169	6,356	0
Cashton, Village Of	558,203	38,016	32,934	70,950	0
Cedar Grove, Village Of	327,764	20,077	18,600	38,676	0
Centuria, Village Of	325,405	29,365	19,199	48,564	104,022
Chaseburg, Village Of	61,342	3,619	3,619	7,238	0
Chenequa, Village Of	752,998	106,968	11,744	118,711	0
Clayton, Village Of	147,300	10,815	8,691	19,505	0
Clear Lake, Village Of	384,343	28,155	22,676	50,831	0
Cleveland, Village Of	383,936	28,614	22,653	51,267	0
Clinton, Village Of	762,769	83,529	23,580	107,109	0
Clyman, Village Of	96,311	5,875	5,682	11,557	2,377
Cobb, Village Of	73,815	4,355	4,355	8,710	0
Cochrane, Village Of	88,560	5,225	5,225	10,450	0
Coleman, Village Of	186,859	13,051	11,120	24,171	0
Colfax, Village Of	357,161	26,972	17,758	44,730	0
Coloma, Village Of	202,399	19,028	8,099	27,128	0
Combined Locks, Village Of	413,635	28,654	24,291	52,945	183,803
Coon Valley, Village Of	187,723	12,846	11,076	23,921	0
Cottage Grove, Village Of	1,234,405	131,368	43,127	174,495	0
Crivitz, Village Of	291,637	21,451	17,207	38,658	0
Cross Plains, Village Of	854,740	105,714	22,866	128,580	123,538
Dallas, Village Of	46,674	2,754	2,754	5,507	0
Dane, Village Of	179,376	11,656	10,583	22,239	0
Darien, Village Of	629,454	92,825	1,921	94,746	8,174
De Soto, Village Of	63,146	3,892	3,892	7,785	0
Deerfield, Village Of	445,382	28,377	24,178	52,555	0
Deforest, Village Of	2,509,143	286,336	98,488	384,824	0
Denmark, Village Of	458,502	58,983	158	59,141	0
Dickeyville, Village Of	191,885	14,292	11,322	25,614	0
Dousman, Village Of	253,175	14,937	14,937	29,875	0
Dresser, Village Of	242,839	19,463	11,548	31,011	0
Eagle, Village Of	431,675	43,303	21,449	64,752	0
East Troy, Village Of	1,259,662	157,738	45,811	203,549	0
Eastman, Village Of	67,599	3,988	3,988	7,977	0
Edgar, Village Of	236,617	30,174	0	30,174	0
Egg Harbor, Village Of	441,582	26,092	26,015	52,107	0
Eleva, Village Of	168,100	12,009	9,918	21,927	0
Elk Mound, Village Of	238,988	25,839	4,533	30,372	0
Elkhart Lake, Village Of	548,343	42,608	32,352	74,960	0
Ellsworth, Village Of	912,894	91,407	34,293	125,700	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Elm Grove, Village Of	2,840,784	414,848	51,167	466,016	0
Elmwood, Village Of	212,474	14,328	12,536	26,864	0
Ephraim, Village Of	371,903	21,956	21,928	43,885	0
Ettrick, Village Of	131,292	8,520	7,746	16,266	0
Fairwater, Village Of	56,360	3,325	3,325	6,651	0
Fall Creek, Village Of	353,441	27,140	20,853	47,994	0
Fall River, Village Of	252,523	20,052	14,899	34,950	0
Ferryville, Village Of	43,139	2,545	2,545	5,090	0
Fontana On Gnva Lk, Village Of	1,148,598	97,847	54,787	152,635	0
Fox Point, Village Of	3,163,190	418,576	70,595	489,171	0
Frederic, Village Of	429,979	28,115	25,364	53,479	0
Fremont, Village Of	140,699	10,251	8,254	18,504	0
Friendship, Village Of	187,596	16,133	11,068	27,201	31,105
Gays Mills, Village Of	197,698	20,591	10,645	31,236	10,201
Genoa City, Village Of	767,805	83,058	20,987	104,045	0
Germantown, Village Of	6,671,583	717,446	227,139	944,585	0
Gilman, Village Of	190,731	23,770	1,202	24,973	0
Grafton, Village Of	4,568,300	455,034	174,102	629,137	0
Granton, Village Of	134,028	7,908	7,908	15,815	0
Grantsburg, Village Of	520,012	38,195	30,681	68,875	0
Greendale, Village Of	5,814,624	963,466	87,829	1,051,295	0
Gresham, Village Of	393,846	46,474	0	46,474	0
Hales Corners, Village Of	2,570,488	244,454	129,841	374,294	0
Hammond, Village Of	509,363	50,439	18,771	69,210	0
Hartland, Village Of	3,125,820	275,244	162,038	437,282	0
Haugen, Village Of	34,060	2,009	2,010	4,019	0
Hawkins, Village Of	83,811	7,042	4,943	11,985	14,206
Hazel Green, Village Of	343,668	24,585	20,276	44,861	0
Highland, Village Of	169,494	11,754	10,000	21,755	0
Hilbert, Village Of	217,796	12,850	12,850	25,700	0
Hixton, Village Of	45,760	3,203	2,654	5,857	10,313
Hobart, Village Of	885,534	68,891	52,246	121,138	0
Hollandale, Village Of	56,149	3,313	3,313	6,626	0
Holmen, Village Of	1,389,569	142,580	48,671	191,250	0
Hortonville, Village Of	767,506	72,299	31,202	103,501	0
Howard, Village Of	2,176,110	198,587	64,341	262,929	0
Howards Grove, Village Of	320,826	20,072	17,786	37,858	0
Hustisford, Village Of	562,098	42,158	30,915	73,073	81,673
Iola, Village Of	396,923	31,423	23,021	54,444	0
Iron Ridge, Village Of	177,263	13,194	10,459	23,652	0
Jackson, Village Of	1,951,928	213,299	58,118	271,417	0
Johnson Creek, Village Of	835,987	59,764	47,862	107,626	0
Junction City, Village Of	70,377	7,178	4,152	11,331	71,442
Kendall, Village Of	143,069	9,362	8,436	17,799	0
Kewaskum, Village Of	1,202,247	117,278	46,901	164,179	0
Kimberly, Village Of	1,506,559	88,887	88,887	177,774	0
Kohler, Village Of	1,009,825	114,078	31,374	145,452	0
Kronenwetter, Village Of	1,078,726	106,663	40,360	147,023	0
La Farge, Village Of	361,244	32,812	21,313	54,125	40,174
La Valle, Village Of	85,424	5,060	5,020	10,080	0
Lac La Belle, Village Of	18,602	2,195	0	2,195	0
Lake Delton, Village Of	2,268,689	269,336	68,218	337,554	0
Lake Hallie, Village Of	583,581	73,906	13,595	87,501	0
Lake Nebagamon, Village Of	147,158	17,365	0	17,365	0
Lannon, Village Of	132,238	11,274	7,802	19,075	0
Lena, Village Of	186,160	13,050	10,946	23,996	0
Little Chute, Village Of	3,532,266	368,996	135,675	504,671	0
Loganville, Village Of	43,021	5,076	0	5,076	0
Lomira, Village Of	495,703	34,769	30,899	65,668	0
Luck, Village Of	401,190	31,335	23,670	55,005	35,461
Luxemburg, Village Of	249,188	20,373	11,293	31,666	0
Maple Bluff, Village Of	935,742	87,071	54,061	141,131	0
Marathon City, Village Of	428,114	48,488	6,651	55,139	0
Marshall, Village Of	984,640	77,978	58,094	136,072	0
Mattoon, Village Of	57,980	6,072	770	6,842	0
Mazomanie, Village Of	248,625	23,769	5,569	29,338	0
Mcfarland, Village Of	2,795,315	293,917	100,912	394,829	0
Menomonee Falls, Village Of	12,626,926	1,486,095	394,473	1,880,568	0
Milwaukee, Village Of	319,893	23,084	18,866	41,950	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Minong, Village Of	238,818	18,963	14,090	33,053	0
Mishicot, Village Of	276,930	33,187	5,971	39,158	0
Montfort, Village Of	83,920	5,244	4,658	9,903	0
Mount Horeb, Village Of	2,488,582	199,758	127,396	327,154	0
Mt Pleasant, Village Of(Racine)	9,243,844	1,563,223	137,858	1,701,081	0
Mukwonago, Village Of	3,052,451	308,575	116,232	424,808	0
Muscoda, Village Of	542,531	40,947	29,744	70,691	0
Necedah, Village Of	316,742	26,797	12,809	39,606	0
Neshkoro, Village Of	42,618	5,757	2,511	8,268	109,968
New Glarus, Village Of	936,268	77,104	45,108	122,212	0
Newburg, Village Of	125,250	7,660	7,390	15,049	0
Nichols, Village Of	40,127	2,408	2,327	4,735	0
North Fond Du Lac, Village Of	2,009,196	208,736	77,899	286,634	0
North Freedom, Village Of	86,291	10,182	0	10,182	0
North Hudson, Village Of	618,252	69,905	18,383	88,287	0
Oconomowoc Lake, Village Of	539,010	79,861	5,788	85,649	0
Oostburg, Village Of	359,092	25,544	21,138	46,682	22,266
Oregon, Village Of	2,492,438	243,064	94,099	337,162	0
Orfordville, Village Of	369,047	41,072	7,794	48,866	0
Osceola, Village Of	857,809	95,434	21,876	117,310	0
Oxford, Village Of (Marquette)	100,306	7,030	5,918	12,948	0
Paddock Lake, Village Of	451,718	26,651	26,652	53,303	0
Pardeeville, Village Of	522,120	30,805	30,805	61,610	0
Pepin, Village Of	207,364	14,311	12,235	26,546	0
Pewaukee, Village Of	2,819,870	310,842	87,241	398,084	0
Plain, Village Of	264,954	15,632	15,632	31,265	0
Plainfield, Village Of	214,358	16,716	12,614	29,330	0
Pleasant Prairie, Village Of	10,068,617	916,969	465,233	1,382,202	0
Plover, Village Of	3,381,362	472,820	373	473,193	0
Port Edwards, Village Of	709,608	51,480	41,867	93,347	0
Pound, Village Of	16,117	955	947	1,902	0
Poynette, Village Of	693,986	85,450	14,582	100,032	9,742
Prairie Du Sac, Village Of	882,315	74,727	29,387	104,113	0
Prairie Farm, Village Of	1,359,573	80,469	79,960	160,430	0
Pulaski, Village Of	871,122	108,676	9,949	118,625	0
Randolph, Village Of	381,724	39,890	22,522	62,412	122,040
Random Lake, Village Of	319,143	19,273	18,386	37,659	0
Rib Lake, Village Of	161,878	9,551	9,551	19,102	0
Rio, Village Of	235,167	22,752	8,682	31,434	0
River Hills, Village Of	1,389,336	184,425	66,714	251,139	0
Roberts, Village Of	593,552	55,042	24,182	79,224	0
Rochester, Village Of	235,815	13,913	13,913	27,826	0
Rock Springs, Village Of	40,600	2,397	2,394	4,791	0
Rockland, Village Of	88,554	5,277	5,173	10,449	0
Rosendale, Village Of	187,907	25,138	0	25,138	0
Rosholt, Village Of	56,968	3,361	3,361	6,722	0
Rothschild, Village Of	1,371,834	150,268	45,167	195,436	0
Sauk City, Village Of	786,974	65,277	27,586	92,863	0
Saukville, Village Of	1,657,796	201,671	32,367	234,038	0
Sharon, Village Of	564,103	60,426	18,550	78,975	0
Sherwood, Village Of	286,487	31,144	2,662	33,805	0
Shiocton, Village Of	235,120	15,788	13,872	29,660	0
Shorewood Hills, Village Of	1,179,194	93,221	69,572	162,794	0
Shorewood, Village Of	4,539,854	535,931	179,646	715,577	0
Silver Lake, Village Of	479,685	55,548	13,553	69,101	0
Siren, Village Of	354,897	25,830	20,939	46,769	0
Sister Bay, Village Of	377,388	22,266	22,266	44,532	0
Slinger, Village Of	1,683,809	193,663	35,466	229,129	0
Soldiers Grove, Village Of	129,802	14,797	7,658	22,456	140,457
Solon Springs, Village Of	123,505	9,791	5,934	15,725	0
Somerset, Village Of	924,451	121,185	2,767	123,952	0
South Wayne, Village Of	72,245	4,262	4,263	8,525	0
Spencer, Village Of	465,897	46,186	16,417	62,603	0
Spring Green, Village Of	520,339	37,964	30,700	68,665	0
Spring Valley, Village Of	279,657	19,550	16,500	36,050	0
St Nazianz, Village Of	166,315	9,979	9,646	19,625	0
Stockbridge, Village Of	26,000	1,534	1,534	3,068	0
Stratford, Village Of	446,066	33,912	26,318	60,230	0
Strum, Village Of	290,255	25,589	17,087	42,676	30,074



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Suamico, Village Of	1,115,075	70,543	65,789	136,332	0
Sullivan, Village Of	121,160	7,148	7,148	14,297	0
Summit, Village Of (Waukesha)	1,042,891	124,591	35,367	159,958	0
Suring, Village Of	201,099	15,061	11,824	26,885	38,908
Sussex, Village Of	2,099,395	182,647	73,318	255,965	0
Thiensville, Village Of	984,890	81,214	56,459	137,673	0
Trempealeau, Village Of	497,869	37,794	25,214	63,008	0
Turtle Lake, Village Of	494,458	49,422	19,448	68,870	0
Twin Lakes, Village Of	2,173,778	221,789	77,608	299,397	0
Union Center, Village Of	68,863	5,180	3,618	8,798	0
Union Grove, Village Of	866,926	51,160	51,138	102,297	0
Valders, Village Of	415,205	26,983	24,497	51,480	0
Walworth, Village Of	749,771	85,772	25,854	111,625	30,753
Warrens, Village Of	139,968	8,416	8,258	16,674	0
Waunakee, Village Of	3,315,762	280,890	166,696	447,585	0
Wausaukee, Village Of	113,235	6,681	6,681	13,362	0
Wauzeka, Village Of	93,789	5,533	5,534	11,067	0
West Baraboo, Village Of	207,597	12,248	12,248	24,496	0
West Milwaukee, Village Of	2,477,203	409,388	0	409,388	4,913,834
West Salem, Village Of	849,070	86,595	31,247	117,842	0
Westfield, Village Of	326,291	24,975	19,251	44,226	0
Weston, Village (Marathon)	2,288,434	193,103	103,560	296,663	0
White Lake, Village Of	103,044	6,080	6,080	12,159	0
Whitefish Bay, Village Of	3,873,221	482,186	71,015	553,202	0
Whitelaw, Village Of	77,075	6,821	2,274	9,095	0
Whiting, Village Of	192,330	12,886	11,348	24,234	21,012
Wild Rose, Village Of	175,860	12,579	10,376	22,955	0
Williams Bay, Village Of	968,506	124,474	18,498	142,972	96,392
Wilson, Village Of	40,485	4,939	0	4,939	3,957
Wind Point, Village Of	204,126	12,056	12,031	24,087	0
Winneconne, Village Of	797,574	96,659	18,233	114,892	78,198
Withee, Village Of	108,228	6,385	6,385	12,771	0
Wonewoc, Village Of	269,895	20,181	13,923	34,105	0
Woodville, Village Of	479,931	36,736	28,316	65,052	0
Wrightstown, Village Of	515,474	32,423	30,413	62,836	0
Wyocena, Village Of	159,409	9,405	9,405	18,810	0
Total Villages	229,498,608	24,892,908	8,190,591	33,083,499	6,731,763
Special Districts					
Algoma City Housing Auth	67,289	3,970	3,970	7,940	0
Algoma Sanitary Dist	403,388	23,800	23,800	47,600	0
Allenton Sanitary Dist	105,417	6,220	6,220	12,439	0
Altoona City Housing Authority	26,747	2,113	1,578	3,691	4,759
Antigo City Housing Auth	333,651	19,685	19,685	39,371	0
Appleton City Housing Auth	584,867	34,507	34,507	69,014	0
Ashland City Housing Auth	252,184	18,271	13,504	31,775	19,352
Ashland County Housing Auth	525,714	61,449	586	62,034	0
Baraboo District Ambulance	1,528,228	161,154	90,076	251,230	0
Barron Co Housing Authority	86,735	5,117	5,117	10,235	0
Bay Area Rural Transit Commiss	337,255	39,796	0	39,796	0
Bayfield County Housing Auth	102,175	6,028	6,028	12,057	0
Bay-Lake Regional Plan Comm	325,888	22,160	19,227	41,388	74,952
Big Cedar Lake Prot/Rehab Dist	43,713	2,976	2,579	5,555	0
Brockway Sanitary District #1	86,367	5,114	5,077	10,191	0
Brookfield, Town San Dist #4	245,979	14,513	14,513	29,026	0
Bruce Village Housing Auth	65,601	3,870	3,871	7,741	0
Burlington City Housing Auth	54,085	6,382	0	6,382	0
Cambridge-Oakland Wstewtr Comm	103,847	6,130	6,124	12,254	0
Capital Area Reg Plan Comm	767,915	45,307	45,307	90,614	0
Central Brown Cty Water Auth	83,200	4,909	4,909	9,818	0
Chilton City Housing Auth	63,464	3,869	3,620	7,489	0
Chippewa Co Housing Auth	292,055	17,231	17,231	34,463	0
Chippewa Fire District	661,037	89,877	19,847	109,724	0
City-County Data Center Comm	1,777,368	104,868	104,861	209,729	0
Clintonville City Hous Auth	93,504	6,573	5,209	11,782	13,610
Colby/Abbotsford Jt Police Com	375,387	59,335	2,019	61,354	0
Community Care Of Cent Wiscon	12,478,121	736,684	735,734	1,472,418	0
Consol Koshkonong Sanitary Dis	284,704	16,798	16,798	33,595	0
ContinuUs	6,210,078	366,394	366,395	732,789	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Country Estates San Dist	32,056	1,923	1,859	3,783	0
Cross Plains Area Ems	45,266	4,405	2,660	7,065	0
Cumberland Municipal Utility	473,356	27,928	27,928	55,856	0
Dane County Dist #1 Ems	47,326	5,159	2,792	7,951	0
Dane County Housing Authority	421,078	49,438	5,302	54,740	318,546
Dane-Iowa Wastewater Comm	148,734	8,775	8,775	17,551	0
Deer-Grove Ems Dist	261,175	27,848	15,409	43,258	0
Deforest Area Fire Board Dist	209,093	22,791	12,336	35,128	0
Delafield-Hartl Water Pol Cntl	456,547	26,936	26,936	53,873	0
Delavan Lake Sanitary District	495,721	29,248	29,248	58,495	0
Dells-Delton Ems Comm	865,849	51,085	51,085	102,170	0
Delton Fire & Ambulance Comm	38,079	3,571	2,247	5,817	0
Dodge County Housing Authority	157,348	9,283	9,284	18,567	0
Door Cty Tourism Zone Comm	5,486	324	324	647	0
Dousman Fire District	149,693	16,317	8,831	25,148	0
Eagle River Union Airport	122,895	7,251	7,251	14,502	0
East Central Wis Reg Plan Comm	1,022,766	60,343	60,343	120,686	0
Eastern Columbia Cty Jm Court	51,086	3,175	3,175	6,350	0
Eastern Shores Lib Sys	382,221	22,552	22,550	45,102	0
Eau Claire City Housing Auth	636,314	37,543	37,542	75,085	0
Eau Claire City-Co Health Dpt	2,691,075	158,773	158,774	317,547	0
Edgerton City Housing Auth	136,549	8,056	8,056	16,113	0
Edgerton Fire Prot Dist	202,119	33,956	0	33,956	0
Everest Metro Police Comm	1,684,888	266,812	11,275	278,087	0
Fish Creek Sanitary Dist #1	178,553	10,548	10,521	21,069	0
Fitch-Rona Ems District	961,540	160,193	728	160,921	0
Fond Du Lac City Housing Auth	658,204	38,834	38,834	77,668	0
Fontana/Walworth Wtr Pol Cn Cm	288,911	17,046	17,046	34,091	0
Fox Lake Wastewater Contr Comm	104,663	6,175	6,175	12,350	0
Freedom Sanitary District #1	128,832	7,606	7,596	15,202	0
Gb/Brown Co Pro Ftbl Stad Dist	106,522	6,285	6,285	12,570	0
Goodman Sanitary District No 1	31,200	1,841	1,841	3,682	0
Grand Chute-Menasha Ws Sew Com	475,266	49,161	6,921	56,081	0
Green Bay Metro Sewerage Dist	6,419,837	378,769	378,771	757,541	0
Green Lake Sanitary Dist	184,150	16,205	5,525	21,730	0
Harmony Grove-Okee Jt Sew Comm	146,677	8,654	8,654	17,308	0
Heart Of The Valley Met Sew Dist	665,701	59,052	19,501	78,553	0
Holmen Area Fire Dept	276,283	30,124	16,291	46,415	0
Hudson City Housing Authority	72,769	4,366	4,221	8,587	0
Hum Srv Ctr Onida Vilas Forst	1,695,853	100,054	100,056	200,111	0
Hurley Housing Authority	56,627	3,624	3,341	6,965	1,611
Indianhead Fed Library System	596,940	35,219	35,220	70,439	0
Ixonia Sanitary District	93,187	5,498	5,498	10,996	0
Jefferson City Housing Auth	127,573	8,548	7,526	16,074	12,984
Kaukauna City Housing Auth	113,418	6,712	6,672	13,383	0
Kegonsa Sanitary District	112,539	6,640	6,640	13,280	0
Kelly Lake Sanitary Dist #1	25,406	1,499	1,499	2,998	0
Kenosha Joint Services	3,485,451	205,842	205,441	411,283	0
La Crosse City Housing Auth	993,748	58,631	58,631	117,262	0
Ladysmith Housing Auth	78,783	4,648	4,648	9,296	0
Lake Como Sanitary Dist #1	265,462	32,652	0	32,652	19,450
Lake Country Fire & Rescue	1,009,099	107,870	59,577	167,446	0
Lake Mills City Housing Auth	101,013	11,920	0	11,920	0
Lake Ripley Mgt District	61,080	3,787	3,604	7,391	5,665
Lakeland Care District	9,287,066	547,939	547,935	1,095,874	0
Lakeland Sanitary District #1	276,681	32,032	616	32,648	0
Lakeshores Library System	316,037	18,646	18,646	37,292	0
League Of Wisc Municipalities	606,040	35,757	35,756	71,513	0
Lincoln County Housing Auth	95,618	5,737	5,546	11,283	0
Lodi Community Ambulance Serv	107,178	14,768	3,238	18,006	0
Lyons Sanitary District #2	82,985	4,896	4,896	9,792	0
Madeline Sanitary District	51,380	3,031	3,031	6,063	0
Madison Metro Sewerage Dist	6,271,686	372,562	367,497	740,059	0
Manawa Rural Fire Dept	47,755	8,023	0	8,023	0
Manitowoc City Housing Auth	114,627	7,680	6,763	14,443	0
Manitowoc-Calumet Lib Sys	138,750	8,186	8,186	16,372	0
Marinette City Housing Auth	188,823	13,849	11,076	24,925	72,500
Marshall Area Ems Dist #14	68,522	6,902	4,007	10,909	0
Marshfield CDA	430,444	25,396	25,396	50,792	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Marshfield Electric & Water	2,859,473	168,716	168,701	337,418	0
Menasha Electric & Water	2,850,846	295,476	40,924	336,400	0
Menomonie City Housing Auth	191,420	11,303	11,284	22,588	0
Mequon - Thiensville Library	455,945	27,027	26,775	53,802	0
Mercer Sanitary District #1	112,131	12,335	896	13,232	0
Merrill City Housing Authority	251,156	14,818	14,818	29,636	0
Middleton Fire District	289,964	44,933	4,667	49,600	0
Mid-Moraine Municipal Court	331,415	20,591	20,218	40,809	0
Mid-Wis Federated Lib Sys	171,610	10,126	10,124	20,250	0
Milw Area Dom Animal Cont Comm	1,239,961	73,158	73,158	146,315	0
Milwaukee Co Fed Lib Sys	391,250	23,084	23,084	46,167	0
Mississippi River Reg Plan Com	242,758	14,323	14,323	28,645	0
Monroe City Housing Authority	146,012	8,615	8,615	17,229	0
Mosinee Fire Dist	116,886	13,603	6,033	19,637	0
Mt Horeb Area Fire Dept	208,796	27,561	12,319	39,880	0
Muni Court W Waukesha County	136,754	8,319	8,093	16,412	0
New Glarus Ems	109,875	18,459	0	18,459	0
New London City Housing Auth	72,673	4,963	4,266	9,229	3,706
New Richmond Ambulance	344,926	40,701	0	40,701	0
Nicolet Federated Library Sys	303,453	17,951	17,856	35,807	0
North Central Health Care Fac	27,089,367	1,602,133	1,594,412	3,196,545	0
North Central Wis Reg Plan Com	384,509	22,686	22,686	45,372	0
North Shore Fire Dept	7,887,237	1,843,750	11,013	1,854,763	0
North Shore Pub Saf Comm	135,515	11,512	4,479	15,991	0
North Shore Water Commission	411,346	24,269	24,269	48,539	0
Northern Bridges	7,095,935	793,950	43,370	837,320	0
Northern Moraine Utility Comm	121,413	7,163	7,163	14,327	0
Northern Waters Library Serv	367,505	21,683	21,683	43,366	0
Northwest Regional Plan Comm	1,065,771	38,543	87,218	125,761	(148)
Norway Sanitary District #1	238,107	14,048	14,048	28,097	0
Oconto City Housing Authority	113,579	6,701	6,701	13,402	0
Onalaska Comm Dev Auth	2,485	147	147	293	0
Oregon Area Fire - EMS Dist	386,157	57,416	7,459	64,874	0
Orfordville Vol Fire Prot Dist	36,468	3,975	2,152	6,127	0
Oshkosh City Housing Authority	1,493,818	88,136	88,134	176,271	0
Outagamie County Housing Auth	1,180,775	69,549	69,782	139,331	0
Outagamie Waupc Co Fed Libr Sy	555,191	32,755	32,757	65,513	0
Pell Lake Sanitary Dist #1	22,447	1,324	1,324	2,649	0
Phelps Sanitary District #1	55,105	6,502	0	6,502	0
Pleasant Springs San Dis #1	41,262	2,434	2,434	4,869	0
Plymouth City Housing Auth	90,032	5,336	5,288	10,624	0
Prairie Du Sac Jt Sewer Comm	53,393	3,150	3,150	6,300	0
Racine County Housing Auth	524,614	51,044	10,861	61,904	0
Reedsburg Area Ambulance Svces	253,548	25,079	14,630	39,709	0
Reedsville Vil Housing Auth	25,155	1,484	1,484	2,968	0
Rhineland City Housing Auth	107,870	6,762	5,966	12,729	0
Rib Mountain Metro Sew Dist	415,878	24,537	24,537	49,074	0
Rice Lake City Housing Auth	252,543	23,115	14,767	37,881	102,564
Richland Center City Hous Auth	78,212	4,614	4,615	9,229	0
Richland Fire Department	32,962	3,088	1,945	5,032	0
River Falls City Housing Auth	267,246	17,905	15,768	33,673	19,928
River Falls Municipal Utility	1,600,826	172,784	16,114	188,897	0
Sauk City Housing Authority	32,278	1,904	1,904	3,809	0
Sauk County Housing Authority	233,112	13,757	13,751	27,507	0
Sauk Prairie Ambulance Assoc	132,130	17,833	4,365	22,198	0
Sauk Prairie Police Commission	809,346	136,243	0	136,243	0
Sauk Prairie Recreation Comm	43,855	2,587	2,588	5,175	0
Sawyer County Housing Auth	123,604	7,293	7,293	14,585	0
Shawano City Housing Authority	145,366	9,759	8,557	18,316	48,847
Shawano County Housing Auth	148,992	8,791	8,790	17,581	0
Shawano Lake Sanitary Dist #1	616,710	60,437	12,334	72,772	0
Shawano Municipal Utilities	1,173,146	69,216	69,216	138,431	0
Sheboygan City Housing Auth	233,780	15,663	13,793	29,456	37,478
Silver Lake San. Dist.	246,435	29,079	0	29,079	0
Slinger Village Housing Auth	55,888	6,595	0	6,595	0
South Central Library System	2,396,843	141,506	141,321	282,827	0
South Milwaukee CDA	205,641	12,133	12,133	24,266	0
Southeastern Wis Reg Plan Comm	3,689,305	217,805	217,533	435,338	0
Southwest Wis Library System	229,083	13,643	13,389	27,032	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Southwestern Wis Reg Plan Comm	332,810	19,682	19,589	39,272	0
Spooner City Housing Auth	64,615	3,812	3,812	7,625	0
Spooner Fire District	54,368	9,134	0	9,134	0
St Joseph Sanitary District #1	25,699	2,284	749	3,033	0
Stevens Point City Hous Auth	395,909	23,359	23,359	46,717	0
Superior City Housing Auth	1,104,526	130,334	0	130,334	0
Taylor County Housing Auth	51,176	3,019	3,019	6,039	0
Three Lakes Sanitary Dist #1	56,291	3,321	3,321	6,642	0
Trempealeau County Hous Auth	313,394	20,998	18,490	39,488	27,305
Unified Community Services	1,437,418	101,715	67,901	169,615	0
Valley Ridge Clean Water Comm	37,970	1,132	3,348	4,480	0
Vanguard Electric Util Comm	283,433	33,445	0	33,445	0
Verona Joint Fire Dist	366,421	60,945	613	61,559	0
Viroqua City Housing Authority	190,091	11,215	11,215	22,431	0
Wabeno Sanitary District #1	54,664	3,227	3,223	6,450	0
Wales/Genesee Joint Fire Bd	105,279	11,475	6,211	17,687	0
Walter E Olson Memorial Lib	98,447	5,808	5,809	11,617	0
Walworth County Metro Sew Dist	1,020,418	108,192	20,381	128,573	103,709
Washburn City Housing Auth	107,585	6,348	6,348	12,695	0
Watertown City Housing Auth	104,067	7,077	6,036	13,112	10,732
Waukesha City Housing Auth	632,813	37,336	37,336	74,672	0
Waunakee Area Ems	44,500	2,626	2,625	5,251	0
Waunakee Area Fire Dist	48,335	2,852	2,852	5,704	0
Waunakee Water & Light	1,064,541	62,808	62,808	125,616	0
Waupaca Chain O'Lakes San Dist	52,900	3,121	3,121	6,242	0
Wausaukee Village Hous Auth	111,460	6,688	6,465	13,152	0
Waverly Sanitary District	287,044	16,936	16,936	33,871	0
West Bend City Housing Auth	233,264	14,048	13,477	27,525	0
West Central Wi Bisolids Comm	134,802	13,359	2,548	15,907	0
West Central Wis Reg Plan Comm	667,961	39,410	39,410	78,819	0
Western Racine Co Sewerage Dis	82,601	9,747	0	9,747	0
Western Wisconsin Cares	12,799,025	755,138	755,147	1,510,285	0
Winding Rivers Library Sys	348,868	20,583	20,583	41,166	0
Windsor Sanitary District #1	91,288	5,386	5,386	10,772	0
Winnefox Library System	716,195	42,255	42,256	84,511	0
Wis Dells-Lake Delton Sew Comm	186,726	11,017	11,017	22,034	0
Wisconsin Counties Association	1,508,023	57,354	120,593	177,947	0
Wisconsin Munic Mutal Ins Co	587,558	42,892	26,440	69,332	0
Wisconsin Rapids City Hs Auth	386,918	25,923	22,828	48,752	21,468
Wisconsin Towns Association	338,899	19,995	19,995	39,990	0
Wisconsin Valley Library Srv	341,183	20,130	20,130	40,260	0
Total Special Districts	177,300,140	13,656,008	8,751,082	22,407,090	919,016
Towns					
Addison, Town Of (Washington)	118,191	6,973	6,973	13,947	0
Alban, Town Of (Portage)	59,282	3,504	3,491	6,995	0
Albion, Town Of (Dane)	121,962	7,210	7,182	14,392	0
Albion, Town Of (Jackson)	25,792	1,522	1,522	3,043	0
Algoma, Town Of	76,957	5,365	3,716	9,081	0
Anson, Town Of (Chippewa)	56,277	4,461	3,375	7,836	46,554
Arbor Vitae, Town Of (Vilas)	172,973	12,973	10,205	23,178	23,250
Ashippun, Town Of (Dodge Co)	111,761	6,599	6,589	13,188	0
Ashland, Town Of (Ashland)	64,690	3,824	3,809	7,633	0
Athelstane, Town Of (Marinette)	95,093	5,611	5,610	11,221	0
Aztalan, Town Of (Jefferson)	61,673	5,323	3,893	9,216	104,833
Baileys Harbor, Town Of (Door)	312,248	18,423	18,423	36,845	0
Balsam Lake, Town Of (Polk)	44,922	2,650	2,650	5,301	0
Baraboo, Town Of (Sauk)	80,892	5,210	5,210	10,419	0
Barksdale, Town Of (Bayfield)	47,885	2,825	2,825	5,650	0
Barron, Town Of (Barron)	39,725	4,688	0	4,688	0
Bear Creek, Town Of (Sauk)	61,467	3,856	3,786	7,642	0
Belmont, Town Of (Lafayette)	29,482	1,739	1,739	3,479	0
Beloit, Town Of (Rock)	1,919,447	305,088	40,286	345,373	0
Bennett, Town Of (Douglas)	70,324	4,149	4,149	8,298	0
Bergen, Town Of (Vernon)	36,221	2,860	1,414	4,274	0
Berry, Town Of (Dane)	75,523	8,912	0	8,912	0
Bloomfield, Town Of (Walworth)	695,416	66,229	39,202	105,430	0
Blooming Grove, Town Of (Dane)	402,492	34,400	23,747	58,147	0
Blue Mounds, Town Of (Dane)	58,000	3,629	3,629	7,258	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Boulder Junction, Town (Vilas)	201,159	14,533	11,733	26,265	0
Brigham, Town Of (Iowa)	108,481	9,796	3,005	12,801	0
Brockway, Town Of (Jackson)	112,244	8,389	6,780	15,169	0
Brookfield, Town Of (Waukesha)	2,452,800	334,566	41,952	376,518	0
Brooklyn, Town Of (Green)	58,917	3,632	3,607	7,240	0
Brothertown, Town Of (Calumet)	55,785	7,475	3,291	10,767	88,801
Buchanan, Town Of (Outagamie)	186,227	10,987	10,988	21,975	0
Burke, Town Of (Dane)	183,005	10,797	10,797	21,595	0
Burlington, Town Of (Racine)	323,985	41,863	0	41,863	0
Campbell, Town Of (La Crosse)	472,217	40,881	26,390	67,272	0
Carey, Town Of (Iron)	42,528	2,509	2,509	5,018	0
Cassian, Town Of (Oneida)	82,289	4,855	4,855	9,710	0
Cedarburg, Town Of (Ozaukee)	503,128	29,685	29,684	59,369	0
Chetek, Town Of (Barron)	65,058	4,189	3,964	8,153	0
Clayton, Town Of (Polk)	42,864	2,529	2,529	5,058	0
Clayton, Town Of (Winnepago)	227,309	13,411	13,411	26,822	0
Clear Lake, Town Of (Polk)	37,608	3,121	2,219	5,340	25,865
Clifton, Town Of (Monroe)	38,831	2,291	2,291	4,582	0
Clinton, Town Of (Barron)	52,300	3,086	3,086	6,171	0
Clover, Town Of (Bayfield)	80,141	4,824	4,827	9,651	0
Colby, Town Of (Clark)	40,399	2,384	2,384	4,767	0
Corning, Town Of (Lincoln)	32,704	2,275	1,584	3,859	0
Crescent, Town Of (Oneida)	113,424	11,923	2,168	14,091	0
Cross Plains, Town Of (Dane)	63,546	3,942	3,942	7,885	0
Dairyland, Town Of (Douglas)	57,715	3,405	3,405	6,810	0
Darien, Town Of (Walworth)	31,632	2,152	1,833	3,986	5,286
Delavan, Town Of (Walworth)	1,252,757	168,117	23,530	191,647	0
Delta, Town Of (Bayfield)	86,747	5,314	5,315	10,629	0
Delton, Town Of (Sauk)	151,184	9,221	9,221	18,441	0
Dover, Town Of (Racine)	142,739	16,843	0	16,843	0
Draper, Town Of (Sawyer)	63,627	3,754	3,754	7,508	0
Drummond, Town Of (Bayfield)	185,232	10,971	10,886	21,857	0
Dunkirk, Town Of (Dane)	111,866	6,712	6,488	13,200	0
Dunn, Town Of (Dane)	417,736	24,646	24,646	49,293	0
Eagle Point, Town Of (Chippewa)	107,710	12,358	858	13,216	0
Eagle, Town Of (Waukesha)	264,431	25,190	9,317	34,507	0
East Troy, Town Of (Walworth)	715,592	108,134	0	108,134	0
Easton, Town Of (Marathon)	83,926	4,952	4,952	9,903	0
Eau Galle, Town Of (Dunn)	44,229	3,715	2,610	6,325	50,917
Egg Harbor, Town Of (Door)	39,475	2,329	2,329	4,658	0
Elk Mound, Town Of	36,509	2,154	2,154	4,308	0
Erin, Town Of (Washington)	169,049	10,083	10,083	20,166	0
Exeter, Town Of (Green County)	77,636	(9,218)	18,379	9,161	0
Farmington, Town Of (Lacrosse)	46,196	2,726	2,726	5,451	0
Farmington, Town Of (Waupaca)	44,342	3,126	3,126	6,252	0
Flambeau, Town Of (Rusk)	19,775	1,780	1,167	2,946	17,935
Florence, Town Of (Florence)	704,365	41,940	41,940	83,880	0
Franklin, Town Of (Manitowoc)	77,993	4,938	4,602	9,540	0
Freedom, Town Of (Outagamie)	264,121	20,423	15,536	35,959	0
Freedom, Town Of (Sauk)	34,337	2,028	2,023	4,052	0
Fulton, Town Of (Rock)	49,578	2,925	2,925	5,850	0
Geneva, Town Of (Walworth)	655,715	74,117	20,902	95,019	0
Georgetown, Town Of (Polk)	38,480	5,041	2,270	7,311	131,145
Germantown, Town Of	113,523	6,698	6,698	13,396	0
Gibraltar, Town Of (Door)	175,981	10,384	10,382	20,766	0
Gilman, Town Of (Pierce)	49,963	2,952	2,944	5,896	0
Goodman, Town Of (Marinette)	72,022	8,499	0	8,499	0
Grand Chute, Town Of (Outagamie)	5,473,933	766,582	108,159	874,742	0
Grand Rapids, Town Of (Wood)	625,294	69,611	22,121	91,732	0
Grant, Town Of (Portage)	57,054	3,368	3,365	6,732	0
Gratiot, Town Of (Lafayette)	69,028	4,072	4,073	8,145	0
Green Lake, Town Of (Grn Lake)	44,013	2,609	2,584	5,194	0
Greenfield, Town Of (Lacrosse)	69,094	4,077	4,077	8,153	0
Greenville, Town Of (Outagamie)	1,102,568	76,282	60,032	136,314	0
Greenwood, Town Of (Vernon)	40,262	2,469	2,282	4,751	0
Hamburg, Town Of (Vernon)	42,036	4,960	0	4,960	0
Hay River, Town Of (Dunn)	32,768	1,935	1,932	3,867	0
Hayward, Town Of (Sawyer)	57,633	3,400	3,400	6,801	0
Hazelhurst, Town Of (Oneida)	110,559	12,295	1,112	13,406	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Highland, Town Of (Iowa)	54,065	3,315	3,315	6,629	0
Hughes, Town Of (Bayfield)	57,846	3,413	3,413	6,826	0
Hull, Town Of (Portage)	259,536	15,706	15,706	31,411	0
Iron River, Town Of (Bayfield)	412,567	55,804	0	55,804	0
Ixonia, Town Of (Jefferson)	281,138	16,587	16,587	33,174	0
Jackson, Town Of (Washington)	205,326	16,309	7,920	24,228	0
Jefferson, Town Of (Jefferson)	12,775	754	754	1,507	0
Kimball, Town Of (Iron)	91,526	7,688	5,400	13,088	54,858
Knight, Town Of (Iron)	58,828	3,549	3,392	6,942	0
Komensky, Town Of (Jackson)	47,825	5,643	0	5,643	0
La Pointe, Town Of (Ashland)	714,928	50,063	42,715	92,779	0
La Valle, Town Of (Sauk)	122,752	7,257	7,227	14,485	0
Lac Du Flambeau, Town (Vilas)	258,031	19,248	15,546	34,794	152,224
Lafayette, Town Of (Chippewa)	174,681	10,698	10,665	21,363	0
Lafayette, Town Of (Walworth)	80,732	4,763	4,763	9,526	0
Lake Holcombe, Town (Chippewa)	74,428	4,501	4,489	8,990	0
Lake, Town Of (Marinette)	62,941	4,950	2,823	7,773	0
Laketown, Town Of (Polk)	46,938	2,989	2,550	5,539	0
Land O Lakes, Town Of (Vilas)	311,540	27,579	12,350	39,929	3,733
Laona, Town Of (Forest)	163,862	11,875	9,979	21,854	0
Lawrence, Town Of (Brown Co)	342,008	20,529	19,828	40,357	0
Lebanon, Town Of (Dodge)	97,926	5,778	5,778	11,555	0
Ledgeview, Town Of (Brown)	358,375	21,794	20,494	42,288	0
Lincoln, Town Of (Vilas)	35,500	2,503	2,503	5,005	0
Linn, Town Of (Walworth)	560,227	75,145	10,994	86,138	0
Lisbon, Town Of (Waukesha)	837,053	66,261	44,085	110,345	0
Lodi, Town Of (Columbia)	62,633	3,735	3,656	7,391	0
Lyons, Town Of (Walworth)	135,256	8,210	8,210	16,420	0
Madison, Town Of (Dane)	2,200,121	408,994	1,957	410,951	0
Maple, Town Of (Douglas)	56,791	3,351	3,351	6,701	0
Marengo, Town Of (Ashland)	31,288	1,846	1,846	3,692	0
Marion, Town Of (Waushara)	25,036	2,954	0	2,954	0
Martell, Town Of (Pierce)	47,709	2,815	2,815	5,630	0
Mazomanie, Town Of (Dane)	49,003	3,115	3,115	6,230	0
Medford, Town Of (Taylor)	51,592	3,044	3,044	6,088	0
Menasha, Town Of (Winnebago)	4,702,139	522,840	229,013	751,853	0
Mercer, Town Of (Iron)	271,390	16,807	16,096	32,903	0
Merton, Town Of (Waukesha)	591,972	48,560	21,293	69,853	0
Middleton, Town Of (Dane)	422,443	24,927	24,922	49,848	0
Milltown, Town Of (Polk)	89,834	8,804	5,300	14,104	52,046
Minocqua, Town Of (Oneida)	1,490,732	149,009	77,319	226,329	322,960
Minong, Town Of (Washburn)	165,913	18,829	748	19,578	0
Mishicot, Town Of (Manitowoc)	43,798	2,584	2,584	5,168	0
Montrose, Town Of (Dane)	49,041	5,787	0	5,787	0
Mukwonago, Town Of	660,904	86,845	14,195	101,040	0
Neenah, Town Of	35,000	2,380	1,750	4,130	0
New Glarus, Town Of (Green)	83,351	4,918	4,917	9,835	0
New Haven, Town Of (Dunn)	37,138	2,492	2,188	4,679	3,690
Newbold, Town Of (Oneida)	262,771	24,116	8,335	32,451	0
Norway, Town Of (Racine)	464,906	37,297	22,088	59,385	0
Oakdale, Town Of (Monroe)	36,382	2,146	2,147	4,293	0
Oakland, Town Of (Jefferson)	169,246	9,992	9,979	19,971	0
Oconomowoc, Town Of (Waukesha)	1,302,452	146,087	46,379	192,466	0
Oma, Town Of (Iron)	86,588	10,217	0	10,217	0
Onalaska, Town Of (La Crosse)	134,379	15,857	0	15,857	0
Oregon, Town Of (Dane)	136,797	8,071	8,071	16,142	0
Orienta, Town Of (Bayfield)	38,733	2,285	2,285	4,571	0
Ottawa, Town Of (Waukesha)	70,843	4,180	4,179	8,359	0
Parkland, Town Of (Douglas)	86,797	6,395	3,934	10,329	1,446
Pelican, Town Of (Oneida)	92,188	5,439	5,439	10,878	0
Pewaukee, City Of	3,998,378	383,424	180,610	564,034	0
Phelps, Town Of (Vilas)	181,624	10,716	10,716	21,432	0
Pine Lake, Town Of (Oneida)	105,416	6,219	6,220	12,439	0
Pleasant Springs, Town (Dane)	133,605	7,893	7,872	15,765	0
Pleasant Valley, Town (Eau Claire)	86,827	6,566	5,068	11,635	2,431
Port Wing, Town Of (Bayfield)	92,888	5,480	5,480	10,961	0
Prairie Lake, Town Of (Barron)	46,439	2,740	2,740	5,480	0
Presque Isle, Town Of (Vilas)	231,052	13,997	13,997	27,993	0
Preston, Town Of (Adams)	59,030	3,749	3,546	7,295	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Primrose, Town Of (Dane)	51,182	3,020	3,020	6,039	0
Quincy, Town Of (Adams)	114,408	11,058	3,285	14,344	0
Raymond, Town Of (Racine)	220,210	14,733	11,251	25,985	0
Rib Mountain, Town (Marathon)	754,892	53,052	44,538	97,590	0
Rice Lake, Town Of (Barron)	97,736	5,766	5,766	11,533	0
Richfield, Village Of(Washing)	529,146	31,220	31,220	62,439	0
Richmond, Town Of (Walworth)	61,368	4,605	2,913	7,517	0
Ripon, Town Of(Fond Du Lac)	90,507	7,657	5,340	12,997	0
River Falls, Town Of (Pierce)	118,994	7,304	7,256	14,560	0
Rome, Town Of (Adams)	990,840	98,551	43,907	142,458	0
Rudolph, Town Of (Wood)	40,102	2,366	2,366	4,732	0
Rutland, Town Of (Dane)	110,709	6,849	6,849	13,697	0
Salem, Town Of (Kenosha)	1,335,652	92,473	78,751	171,224	0
Sanborn, Town Of (Ashland)	95,609	11,860	0	11,860	0
Scott, Town Of (Sheboygan)	103,665	6,145	6,088	12,232	0
Sharon, Town Of (Portage)	74,281	4,383	4,383	8,765	0
Sharon, Town Of (Walworth)	46,533	2,750	2,741	5,491	0
Sheboygan, Town Of (Sheboygan)	325,534	19,206	19,206	38,413	0
Shelby, Town Of (La Crosse)	558,682	72,158	0	72,158	0
Somers, Town Of (Kenosha)	1,530,494	168,421	48,209	216,630	0
Somerset, Town Of (St Croix)	143,891	8,489	8,490	16,979	0
South Lancaster, Town (Grant)	39,944	2,357	2,357	4,713	0
Sparta, Town Of (Monroe)	39,973	2,375	2,341	4,717	0
Spirit, Town Of (Price)	34,409	2,374	2,030	4,404	1,668
Spring Lake, Town Of (Pierce)	34,039	2,008	2,008	4,017	0
Springdale, Town Of (Dane)	63,446	6,279	1,599	7,878	0
Springfield, Town Of (Dane)	136,579	8,058	8,058	16,116	0
Springfield, Town Of (Jackson)	30,827	2,497	1,819	4,316	44,491
St Germain, Town Of (Vilas)	279,587	18,843	14,886	33,730	0
Stanton, Town Of (Dunn)	63,060	7,809	0	7,809	0
Stettin, Town Of (Marathon)	132,621	8,282	8,180	16,462	0
Stockton, Town Of (Portage)	154,906	9,469	9,469	18,938	0
Strongs Prairie, Town Of (Adms)	49,354	2,912	2,912	5,824	0
Sullivan, Town Of (Jefferson)	73,387	4,330	4,330	8,660	0
Summit, Town Of (Douglas)	93,557	5,547	5,493	11,040	0
Summit, Town Of (Juneau)	37,287	2,200	2,200	4,400	0
Sumner, Town Of (Barron)	34,782	2,052	2,052	4,104	0
Superior, Town Of (Douglas)	99,640	14,647	0	14,647	110,451
Tainter, Town Of (Dunn)	118,986	9,352	4,688	14,040	0
Theresa, Town Of (Dodge)	64,627	3,958	3,958	7,916	0
Three Lakes, Town Of (Oneida)	623,343	47,584	36,777	84,361	0
Tiffany, Town Of (Dunn)	39,618	2,337	2,337	4,675	0
Trade Lake, Town Of (Burnett)	53,430	3,152	3,152	6,305	0
Trempealeau, Town (Trempeleau)	106,184	6,265	6,265	12,530	0
Trenton, Town Of (Washington)	197,575	12,583	11,657	24,240	0
Troy, Town Of (Walworth)	83,207	6,338	4,551	10,889	5,953
Turtle Lake, Town Of (Barron)	45,885	2,707	2,707	5,414	0
Vermont, Town Of (Dane)	66,528	7,776	434	8,211	0
Vernon, Town Of (Waukesha)	603,946	44,040	36,022	80,061	0
Verona, Town Of (Dane)	247,324	14,798	14,386	29,184	0
Vienna, Town Of (Dane)	163,071	9,794	9,794	19,587	0
Viroqua, Town Of (Vernon)	96,355	5,974	5,685	11,659	1,823
Wabeno, Town Of (Forest)	116,632	10,821	6,014	16,835	25,197
Walworth, Town Of (Walworth)	73,051	4,895	4,309	9,204	10,188
Warren, Town Of	40,580	2,394	2,394	4,788	0
Wascott, Town Of (Douglas)	192,381	12,813	11,151	23,965	0
Washington, Town Of (Door)	452,977	31,070	26,725	57,795	0
Washington, Town Of (Lacrosse)	45,094	5,321	0	5,321	0
Washington, Town Of (Vilas)	156,563	9,539	9,539	19,078	0
Washington, Town Of(Eau Claire)	306,992	18,113	18,112	36,225	0
Waterford, Town Of (Racine)	732,816	92,260	16,563	108,823	0
Waukesha, Town Of(Waukesha)	292,780	24,793	17,274	42,067	0
Wayne, Town Of (Lafayette)	51,608	3,049	3,040	6,090	0
Wescott, Town Of (Shawano)	192,223	11,341	11,341	22,682	0
West Bend, Town Of(Washington)	156,975	9,261	9,262	18,523	0
West Sweden, Town Of (Polk)	42,441	2,515	2,493	5,008	0
Westfield, Town Of (Sauk Co)	7,119	840	0	840	0



Contributions

Name	Contributions				Unfunded Liability Balance
	Covered Payroll	Employer Paid*	Employee Paid	Total	
Weston, Town Of (Marathon)	11,200	793	786	1,579	0
Westport, Town Of (Dane)	439,208	37,699	14,127	51,827	0
Wheaton, Town Of (Chippewa)	137,503	15,546	1,008	16,554	0
Wilson, Town Of (Sheboygan)	136,047	8,654	8,654	17,308	0
Wilton, Town Of (Monroe)	36,306	2,145	2,139	4,284	0
Windsor, Town Of (Dane)	650,624	38,387	38,386	76,774	0
Winter, Town Of (Sawyer)	169,296	10,501	10,158	20,660	0
Wiotra, Town Of (Lafayette)	37,155	2,469	1,915	4,384	0
Woodruff, Town Of (Oneida)	506,360	75,255	0	75,255	0
Yorkville, Town Of (Racine)	86,298	5,906	4,277	10,183	0
Total Towns	65,741,987	6,509,596	2,689,631	9,199,227	1,287,746
Counties					
Adams County	10,331,636	802,132	502,481	1,304,613	0
Ashland County	6,172,361	466,414	348,305	814,719	0
Barron County	12,998,780	873,237	757,989	1,631,226	0
Bayfield County	7,292,768	876,759	136,229	1,012,988	0
Brown County	69,431,208	5,993,155	3,429,233	9,422,388	0
Buffalo County	4,325,925	477,305	93,408	570,713	0
Burnett County	6,490,598	482,108	332,952	815,061	0
Calumet County	11,962,604	836,787	648,809	1,485,595	0
Chippewa County	17,059,667	2,017,267	275,613	2,292,880	0
Clark County	20,014,653	2,134,456	381,853	2,516,308	0
Columbia County	21,653,599	1,562,067	1,131,143	2,693,211	0
Crawford County	5,648,410	455,632	272,994	728,626	0
Dane County	130,722,391	17,462,309	1,050,733	18,513,042	0
Dodge County	37,394,514	2,402,272	2,200,980	4,603,252	0
Door County	16,935,651	1,789,357	488,186	2,277,542	0
Douglas County	13,322,934	1,458,787	685,854	2,144,641	0
Dunn County	19,439,182	1,535,486	1,040,100	2,575,586	0
Eau Claire County	23,812,833	1,794,076	1,264,956	3,059,032	0
Florence County	2,926,570	340,613	72,883	413,496	0
Fond Du Lac County	36,784,838	2,701,282	1,978,690	4,679,972	0
Forest County	4,178,759	343,810	198,355	542,165	0
Grant County	15,522,449	1,065,341	844,338	1,909,679	0
Green County	15,257,019	1,373,148	553,677	1,926,825	0
Green Lake County	8,489,695	991,597	123,509	1,115,106	0
Iowa County	9,079,518	732,655	440,225	1,172,879	0
Iron County	3,545,651	474,997	0	474,997	0
Jackson County	7,349,901	547,830	378,759	926,589	0
Jefferson County	24,122,328	2,175,947	1,075,925	3,251,872	0
Juneau County	10,036,950	815,912	512,339	1,328,251	0
Kenosha County	50,457,611	4,906,539	1,597,399	6,503,938	0
Kewaunee County	8,481,197	997,039	107,119	1,104,158	0
La Crosse County	47,745,484	3,160,363	2,680,513	5,840,875	0
Lafayette County	11,369,268	1,245,217	173,879	1,419,096	0
Langlade County	7,314,283	502,603	420,256	922,859	0
Lincoln County	15,079,698	1,047,966	830,134	1,878,099	0
Manitowoc County	21,283,719	1,731,842	1,001,789	2,733,631	0
Marathon County	37,483,431	2,850,254	2,008,415	4,858,669	0
Marinette County	15,647,016	1,225,373	720,468	1,945,841	0
Marquette County	6,853,974	645,280	277,695	922,975	0
Menominee County	3,116,826	235,387	158,702	394,089	0
Monroe County	14,194,357	1,053,673	729,314	1,782,987	0
Oconto County	12,499,641	936,661	633,636	1,570,297	0
Oneida County	12,623,725	962,658	651,655	1,614,313	0
Outagamie County	50,974,454	3,596,129	2,862,872	6,459,001	0
Ozaukee County	27,324,567	2,142,255	1,335,772	3,478,027	0
Pepin County	4,000,633	300,360	217,518	517,878	0
Pierce County	13,308,570	906,041	820,765	1,726,806	0
Polk County	20,935,746	1,529,310	1,063,693	2,593,003	0
Portage County	24,752,302	1,910,662	1,299,217	3,209,879	0
Price County	5,780,435	486,617	244,273	730,890	0
Racine County	39,278,959	3,702,342	1,827,938	5,530,280	0
Richland County	10,277,856	709,539	553,863	1,263,402	0
Rock County	54,972,255	4,420,176	2,728,927	7,149,104	0
Rusk County	15,375,602	1,114,200	787,171	1,901,370	0
Sauk County	25,665,678	2,112,187	1,206,302	3,318,488	0
Sawyer County	7,695,756	707,707	279,802	987,510	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Shawano County	15,024,141	1,253,844	746,959	2,000,803	0
Sheboygan County	37,182,248	3,497,332	1,155,044	4,652,376	0
St Croix County	27,181,414	1,866,713	1,584,359	3,451,072	0
Taylor County	7,665,698	905,578	101,840	1,007,418	0
Trempealeau County	18,603,341	1,242,817	1,023,216	2,266,033	0
Vernon County	11,376,481	1,162,249	250,973	1,413,222	0
Vilas County	8,620,887	801,371	403,652	1,205,024	0
Walworth County	38,653,262	3,221,668	1,903,907	5,125,575	0
Washburn County	7,182,536	527,384	401,807	929,191	0
Washington County	35,069,253	2,829,347	1,588,249	4,417,596	0
Waukesha County	78,671,962	6,133,941	3,942,356	10,076,297	0
Waupaca County	19,329,261	1,396,785	1,006,931	2,403,715	0
Wausara County	11,314,506	871,505	589,687	1,461,193	0
Winnebago County	48,158,656	4,284,360	2,089,746	6,374,105	0
Wood County	25,435,278	1,891,336	1,358,261	3,249,598	0
Total Counties	1,526,265,359	132,007,348	66,586,587	198,593,936	0

School Districts

Abbotsford School District	3,213,337	189,686	189,487	379,174	0
Adams-Friendship Area Sch Dist	10,687,832	630,581	630,583	1,261,164	0
Albany School District	2,866,180	200,455	137,755	338,209	0
Algoma School District	3,556,471	258,279	161,385	419,664	0
Alma Center-Humbrd-Meril Sch D	3,153,254	223,882	186,041	409,923	0
Alma School District	1,655,453	97,672	97,672	195,343	0
Almond-Bancroft School Dist	2,445,479	149,280	139,286	288,567	0
Altoona School District	7,795,146	504,153	415,675	919,827	0
Amery School District	10,396,708	714,436	512,376	1,226,812	0
Antigo Unified School District	14,312,604	847,228	841,659	1,688,887	0
Appleton Area School District	85,139,849	5,023,241	5,023,261	10,046,502	0
Arbor Vitae-Woodruff Jsd #1	2,554,651	175,575	125,873	301,449	0
Arcadia School District	6,311,701	403,206	341,575	744,781	0
Argyle School District	1,607,835	108,005	81,720	189,725	0
Arrowhead Union High Sch Dist	12,662,754	813,084	681,121	1,494,205	0
Ashland School District	11,054,610	807,862	496,582	1,304,444	0
Ashwaubenon School District	17,055,778	1,006,290	1,006,291	2,012,582	0
Athens School District	2,212,269	133,179	127,869	261,048	0
Auburndale School District	3,500,796	211,033	202,061	413,094	0
Augusta School District	3,999,155	265,382	206,519	471,900	0
Baldwin-Woodville Area Sch Dist	8,842,095	540,482	502,885	1,043,367	0
Bangor School District	3,107,926	194,390	172,346	366,735	0
Baraboo School District	17,293,976	1,068,172	972,517	2,040,689	0
Barneveld School District	2,207,759	129,653	130,863	260,516	0
Barron Area School District	7,650,957	531,217	371,596	902,813	0
Bayfield School District	3,836,804	273,136	179,607	452,743	0
Beaver Dam Unified School Dist	21,703,323	1,280,493	1,280,499	2,560,992	0
Beecher Dunbar Pembine Sch Dist	1,554,551	94,237	89,200	183,437	0
Belleville School District	5,346,970	342,228	288,715	630,942	0
Belmont Community School Dist	1,965,229	117,630	114,267	231,897	0
Beloit School District	42,469,761	2,505,715	2,505,717	5,011,432	0
Beloit Turner School District	7,820,516	537,362	385,458	922,821	0
Benton School District	1,373,303	108,267	70,263	178,529	582,792
Berlin Area School District	8,839,727	596,990	446,098	1,043,088	0
Big Foot Uhs Sch Dist	3,022,884	181,020	175,681	356,700	0
Birchwood School District	1,945,556	138,211	91,365	229,576	0
Black Hawk School District	2,474,055	163,887	128,051	291,938	0
Black River Falls Sch Dist	10,191,739	667,368	535,257	1,202,625	0
Blair-Taylor School District	3,385,883	199,766	199,768	399,534	0
Bloomer School District	5,349,526	330,823	300,422	631,244	0
Bonduel School District	4,659,686	343,198	206,645	549,843	0
Boscobel School District	4,988,219	364,561	273,931	638,492	0
Bowler School District	2,479,327	219,329	73,231	292,561	0
Boyceville Community Sch Dist	3,982,394	260,994	208,929	469,922	0
Brighton Sch Dist #1	751,926	44,363	44,364	88,727	0
Brillion Public School Dist	4,633,017	291,008	255,688	546,696	0
Bristol, Town, Sch Dist #1	3,301,013	224,504	165,016	389,519	0
Brodhead School District	5,822,711	347,833	339,247	687,080	0
Brown Deer School District	10,431,941	670,873	560,096	1,230,969	0
Bruce School District	2,863,350	168,626	169,250	337,875	0
Burlington Area School Dist	19,260,670	1,136,379	1,136,380	2,272,759	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Butternut School District	1,264,451	74,603	74,602	149,205	0
Cadott Comm School District	4,444,664	266,932	257,538	524,470	0
Cambria-Friesland School Dist	2,556,059	186,223	146,064	332,288	380,411
Cambridge School District	5,326,326	383,506	314,243	697,749	479,559
Cameron School District	4,976,012	327,252	259,918	587,169	0
Campbellsport School District	7,951,073	469,112	469,115	938,227	0
Cashton School District	3,250,858	191,801	191,801	383,601	0
Cassville School District	1,466,915	89,174	83,922	173,096	0
Cedar Grove-Belgium Sch Dist	5,691,853	335,818	335,820	671,639	0
Cedarburg School District	16,966,255	1,080,865	921,153	2,002,018	0
Chequamegon School District	4,750,759	300,164	260,425	560,590	0
Chetek-Weyerhaeuser Area SD	5,776,589	354,839	326,798	681,638	0
Chilton School District	5,808,463	384,548	300,851	685,399	0
Chippewa Falls Area Unif Sch	22,728,244	1,341,628	1,340,304	2,681,933	0
Clayton School District	2,488,012	157,368	136,218	293,585	0
Clear Lake School District	3,515,127	207,637	207,148	414,785	0
Clinton Community School Dist	6,435,205	379,677	379,678	759,354	0
Clintonville Public Sch Dist	9,053,441	589,186	479,120	1,068,306	0
Cochrane-Fountain City Sch Dist	3,110,291	207,513	159,501	367,014	0
Colby School District	3,616,493	213,380	213,366	426,746	0
Coleman School District	3,533,607	238,730	178,236	416,966	0
Colfax School District	4,375,915	310,690	258,179	568,869	499,111
Columbus School District	6,151,297	397,296	328,557	725,853	0
Cornell School District	2,140,422	137,560	115,010	252,570	0
Crandon School District	5,509,217	385,210	264,878	650,088	0
Crivitz School District	3,186,689	335,912	40,117	376,029	0
Cuba City School District	3,817,031	249,677	200,733	450,410	0
Cudahy School District	16,919,136	998,236	998,222	1,996,458	0
Cumberland School District	5,639,832	350,246	315,255	665,500	0
D C Everest Area School Dist	33,909,069	2,053,769	1,947,501	4,001,270	0
Darlington Comm School Dist	4,068,279	263,817	216,240	480,057	0
Deerfield Comm School District	4,993,298	294,605	294,604	589,209	0
Deforest Area School District	19,180,407	1,397,357	865,931	2,263,288	0
Delavan-Darien School District	12,393,060	817,269	645,112	1,462,381	(35)
Denmark School District	7,687,784	453,580	453,578	907,159	0
Depere Unified School District	21,583,001	1,273,713	1,273,081	2,546,794	0
Desoto Area School District	3,242,391	191,302	191,300	382,602	0
Dodgeand School District	4,972,425	293,373	293,373	586,746	0
Dodgeville School District	6,596,448	416,235	362,146	778,381	0
Drummond School District	2,414,972	173,467	111,499	284,967	0
Durand School District	5,020,757	299,615	292,834	592,449	0
East Troy Community Sch Dist	8,968,162	546,803	511,440	1,058,243	0
Eau Claire Area School Dist	63,450,988	3,743,948	3,743,268	7,487,217	0
Edgar School District	2,951,705	174,150	174,151	348,301	0
Edgerton School District	9,986,012	718,992	589,176	1,308,168	0
Elcho School District	2,544,094	150,128	150,075	300,203	0
Eleva-Strum School District	3,383,693	207,777	191,499	399,276	0
Elk Mound Area School District	5,418,041	319,665	319,664	639,329	0
Elkhart Lake-Glenbeulah Sch Dist	2,763,408	174,971	151,111	326,082	0
Elkhorn Area School District	16,784,161	996,114	984,417	1,980,531	0
Ellsworth Comm Sch Dist	8,808,060	567,516	471,835	1,039,351	0
Elmbrook School District	48,745,025	3,118,995	2,632,918	5,751,913	0
Elmwood School District	2,348,694	155,117	122,029	277,146	0
Erin Sch Dist #2	1,400,246	149,756	15,473	165,229	0
Evansville Comm Sch Dist	11,104,805	757,761	552,606	1,310,367	0
Fall Creek School District	4,207,225	272,482	223,971	496,453	0
Fall River School District	2,071,789	125,326	119,145	244,471	0
Fennimore Community Sch Dist	5,029,018	340,578	252,846	593,424	0
Flambeau School District	3,333,728	255,122	138,258	393,380	0
Florence County Sch Dist	2,824,457	215,682	117,604	333,286	0
Fond Du Lac School District	42,239,853	2,579,483	2,404,820	4,984,303	0
Fontana Jt Sch Dist #8 Etal	1,598,352	94,302	94,303	188,606	0
Fort Atkinson School District	16,202,331	1,056,345	855,530	1,911,875	0
Fox Point Jt Sch Dist # 2 Etal	6,425,049	583,935	174,221	758,156	0
Franklin Public School Dist	26,769,248	1,671,822	1,486,949	3,158,771	(38,837)
Frederic School District	2,958,767	284,733	64,402	349,135	0
Freedom Area School District	8,436,558	539,777	455,737	995,514	0
Friess Lake School District	1,190,295	70,274	70,180	140,455	0
Galesville School District Etal	8,284,630	488,794	488,792	977,586	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Geneva Jt Sch Dist #4 Etal	894,787	61,350	44,235	105,585	0
Genoa City Jt Sch Dist #2 Etal	3,155,568	240,358	132,000	372,357	0
Germantown School District	22,879,608	1,592,913	1,106,880	2,699,794	0
Gibraltar Area School District	4,854,908	491,757	81,123	572,879	0
Gillett School District	3,548,897	217,137	201,633	418,770	0
Gilman School District	2,038,689	179,790	60,776	240,565	0
Gilmanton School District	720,624	42,517	42,517	85,034	0
Glendale-River Hills Sch Dist	6,505,949	553,410	214,292	767,702	0
Glenwood City School District	4,059,191	239,495	239,490	478,985	0
Goodman-Armstrong School Dist	921,870	54,119	54,661	108,781	0
Grafton School District	13,264,595	783,613	781,609	1,565,222	(59)
Granton Area School District	1,341,607	97,521	60,789	158,310	0
Grantsburg School District	4,658,698	294,291	255,436	549,726	0
Green Bay Area Public Schools	126,300,355	8,242,896	6,660,546	14,903,442	0
Green Lake School District	1,997,311	118,104	117,579	235,683	0
Greendale School District	16,297,583	959,305	963,810	1,923,115	0
Greenfield School District	18,917,488	1,118,013	1,114,250	2,232,264	0
Greenwood School District	2,055,628	142,130	100,434	242,564	0
Gresham School Dist	1,438,919	84,896	84,896	169,792	0
Hamilton School District	25,158,890	1,625,059	1,343,690	2,968,749	0
Hartford Jt Sch Dist #1 Etal	9,224,513	562,683	525,809	1,088,493	0
Hartford Union High Sch Dist	8,647,992	511,154	509,309	1,020,463	0
Hartland Jt Sch Dist #3 Etal	6,770,388	460,838	338,068	798,906	0
Hayward Community School Dist	9,739,994	609,850	539,470	1,149,319	0
Herman Sch Dist #22	494,654	34,149	29,166	63,316	165,354
Highland School District	1,252,274	83,146	64,622	147,768	0
Hilbert School District	2,445,104	160,376	128,146	288,522	0
Hillsboro School District	3,211,229	189,462	189,463	378,925	0
Holmen School District	26,145,368	1,930,947	1,311,078	3,242,026	0
Horicon School District	4,516,666	266,482	266,485	532,967	0
Hortonville Area School Dist	18,139,276	1,070,218	1,070,217	2,140,435	0
Howards Grove School District	5,414,877	319,478	319,478	638,955	0
Howard-Suamico School District	27,252,136	1,701,538	1,514,214	3,215,752	0
Hudson School District	29,949,919	1,871,886	1,662,204	3,534,090	0
Hurley School District	3,354,604	197,959	197,885	395,843	0
Hustisford School District	2,295,929	139,044	131,876	270,920	0
Independence School District	1,965,864	116,010	115,962	231,972	0
Iola-Scandinavia School Dist	3,790,581	242,044	205,244	447,289	0
Iowa-Grant School District	4,827,995	310,735	258,969	569,703	0
Ithaca School District	2,050,861	123,962	118,039	242,002	0
Janesville School District	62,320,649	6,902,127	451,709	7,353,837	0
Jefferson School District	11,089,525	1,287,453	21,111	1,308,564	0
Johnson Creek School District	3,973,150	245,059	223,773	468,832	0
Juda School District	1,394,082	82,577	81,925	164,502	0
Kansasville Dover Dist #1	471,440	28,664	26,966	55,630	0
Kaukauna Area School District	19,419,980	1,165,490	1,126,067	2,291,558	0
Kenosha Unified Sch Dist #1	137,373,309	14,169,070	2,040,981	16,210,050	0
Kettle Moraine School District	23,411,782	1,467,852	1,294,738	2,762,590	0
Kewaskum School District	10,787,082	699,855	573,020	1,272,876	0
Kewaunee School District	5,007,047	341,360	249,471	590,832	0
Kickapoo Area School District	2,699,711	163,194	155,372	318,566	0
Kiel Area School District	7,667,422	575,056	452,379	1,027,435	1,390,468
Kimberly Area School District	22,498,541	1,346,791	1,308,037	2,654,828	0
Kohler School District	3,610,461	253,534	172,501	426,034	0
La Crosse School District	47,437,865	3,518,317	2,696,043	6,214,360	7,356,935
Lac Du Flambeau Sch Dist #1	4,689,550	375,340	178,027	553,367	0
Ladysmith-Hawkins Sch Dist	5,479,457	370,752	275,824	646,576	0
Lafarge School District	1,694,501	111,326	88,625	199,951	0
Lake Country Sch Dist	3,147,530	207,725	163,683	371,409	0
Lake Geneva Jt Sch Dis #1 Etal	10,866,472	641,121	641,123	1,282,244	0
Lake Geneva School District	9,207,694	543,423	543,085	1,086,508	0
Lake Holcombe School District	1,966,126	130,657	101,346	232,003	0
Lake Mills Area School Dist	6,613,465	406,181	374,208	780,389	0
Lakeland Union High Sch Dist	5,934,762	416,310	283,992	700,302	0
Lancaster Comm Sch Dist	4,413,585	267,757	253,046	520,803	0
Laona School District	1,272,864	77,672	72,526	150,198	0
Lena Public School District	1,923,682	113,497	113,497	226,994	0
Linn Jt Sch Dist #4 Etal	883,981	72,190	43,612	115,801	122,243
Linn Jt Sch Dist #6 Etal	805,286	47,512	47,512	95,024	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Little Chute Area School Dist	8,501,944	557,513	445,717	1,003,229	0
Lodi School District	9,090,177	536,424	536,217	1,072,641	0
Lomira School District	6,230,468	436,922	366,808	803,730	0
Loyal School District	2,679,868	158,495	157,730	316,224	0
Luck School District	3,170,230	263,436	148,694	412,130	0
Luxemburg-Casco School Dist	8,236,832	485,972	485,974	971,946	0
Madison Metro School District	200,939,552	11,854,512	11,856,355	23,710,867	0
Manawa School District	3,941,637	232,555	232,558	465,113	0
Manitowoc Public School Dist	32,088,649	1,892,138	1,894,323	3,786,461	0
Maple Dale-Indian Hill Sch Dist	3,019,560	384,888	13,694	398,582	1,170,856
Maple School District	7,300,907	597,500	264,007	861,507	0
Marathon City School District	2,739,844	161,651	161,651	323,302	0
Marinette School District	9,509,036	642,919	479,147	1,122,066	0
Marion School District	1,970,553	116,263	116,262	232,525	0
Markesan School District	4,235,920	250,090	249,749	499,839	0
Marshall Jt Sch Dist #2 Etal	7,199,172	450,896	398,606	849,502	0
Marshfield Unified School Dist	22,161,285	1,642,011	973,021	2,615,032	0
Mauston School District	8,106,122	502,924	453,599	956,522	0
Mayville School District	7,224,108	443,822	408,623	852,445	0
Mcfarland School District	13,411,223	897,719	684,806	1,582,524	0
Medford Area Public Schl Dist	11,516,896	679,495	679,499	1,358,994	0
Mellen School District	1,216,062	71,748	71,748	143,495	0
Melrose-Mindoro School Dist	4,240,387	250,231	250,134	500,366	0
Menasha Joint School District	20,506,869	1,215,338	1,204,473	2,419,811	0
Menominee Indian School Dist	7,505,203	480,149	405,465	885,614	0
Menomonee Falls School District	27,365,738	1,880,955	1,348,202	3,229,157	0
Menomonie Area School District	17,688,724	1,055,976	1,031,294	2,087,269	0
Mequon-Thiensville School Dist	21,450,791	1,265,600	1,265,593	2,531,193	0
Mercer School District	1,111,128	114,184	16,929	131,113	0
Merrill Area Common Pub Sch	15,979,668	993,718	891,883	1,885,601	0
Merton Community School Dist	5,054,224	342,640	253,759	596,398	0
Middleton-Cross Plns Sch Dist	40,567,089	2,393,342	2,393,575	4,786,916	0
Milton School District	17,065,295	1,042,005	971,699	2,013,705	0
Milwaukee Teachers Retirem Sys	377,857,856	42,247,515	2,339,712	44,587,227	0
Mineral Point Unif Sch Dist	3,481,964	213,851	197,021	410,872	0
Minocqua Jt Sch Dist #1 M-H-Lt	3,418,615	201,698	201,699	403,397	0
Mishicot School District	5,305,269	313,012	313,010	626,022	0
Mondovi School District	5,380,961	317,477	317,477	634,953	0
Monona Grove School District	17,539,204	1,286,214	783,412	2,069,626	0
Monroe School District	16,585,927	1,092,673	864,467	1,957,139	0
Montello School District	3,852,166	248,200	206,355	454,556	0
Monticello School District	1,987,338	126,136	108,370	234,506	0
Mosinee School District	11,457,055	675,966	675,966	1,351,932	0
Mount Horeb Area School Dist	13,369,677	883,168	694,454	1,577,622	0
Mukwonago School District	24,953,234	1,464,975	1,479,507	2,944,482	0
Muskego-Norway School District	27,391,774	1,811,926	1,420,304	3,232,229	0
Necedah Area School District	4,071,124	283,335	197,058	480,393	0
Neenah Joint School District	31,778,954	2,026,302	1,723,614	3,749,917	0
Neillsville School District	4,860,994	288,027	285,570	573,597	0
Nekoosa School District	5,930,989	355,827	344,030	699,857	0
Neosho Jt Sch Dist #3 Etal	1,058,816	81,133	57,572	138,705	223,697
New Auburn School District	1,913,284	123,990	101,778	225,768	0
New Berlin School District	24,020,273	1,397,620	1,436,773	2,834,392	0
New Glarus School District	5,198,820	306,730	306,731	613,461	0
New Holstein School District	5,185,583	383,734	305,949	689,683	997,767
New Lisbon School District	3,353,232	233,269	162,413	395,681	0
New London School District	11,777,721	905,549	637,332	1,542,881	0
New Richmond School District	15,276,296	946,540	856,063	1,802,603	0
Niagara School District	2,759,360	162,802	162,802	325,604	0
Nicolet High School District	9,447,880	592,725	522,125	1,114,850	0
Norris School District	907,915	67,186	53,567	120,753	41,860
North Cape Consolidated School Dist	1,057,521	65,344	59,443	124,788	0
North Crawford Sch Dist	2,948,657	173,970	173,971	347,942	0
North Fond Du Lac Sch Dist	6,316,175	425,610	319,699	745,309	0
North Lake School District	1,651,576	97,443	97,443	194,886	0
North Lakeland School District	1,317,559	145,125	49,874	194,999	37,998
Northern Ozaukee School Dist	4,305,595	375,581	192,757	568,339	0
Northland Pines School Dist	9,264,644	546,613	546,615	1,093,228	0
Northwood School District	2,415,823	232,112	52,955	285,067	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Norwalk-Ontario School Dist	4,085,721	241,102	241,013	482,115	0
Norway-Raymond Jt#7 Sd	420,716	30,296	24,818	55,114	73,333
Oak Creek-Franklin Jt Sch Dist	33,676,909	1,980,699	1,993,176	3,973,875	0
Oakfield School District	2,996,180	178,333	175,216	353,549	0
Oconomowoc Area School Dist	21,801,876	1,348,952	1,223,669	2,572,621	0
Oconto Falls Public Sch Dist	9,801,364	578,279	578,282	1,156,561	0
Oconto Unified School District	6,453,321	383,045	378,447	761,492	0
Omro School District	6,355,787	389,215	360,768	749,983	0
Onalaska School District	16,776,174	989,792	989,797	1,979,589	0
Oostburg School District	4,937,747	291,327	291,327	582,654	0
Oregon School District	21,884,724	1,293,255	1,289,142	2,582,397	0
Osceola School District	10,123,339	597,277	597,277	1,194,554	0
Oshkosh Area School District	52,747,104	3,133,086	3,091,072	6,224,158	0
Osseo-Fairchild School Dist	4,420,217	260,911	260,675	521,586	0
Owen-Withee School District	2,986,641	175,562	176,862	352,424	0
Palmyra-Eagle Area School Dist	5,815,121	343,092	343,092	686,184	0
Pardeeville Area School Dist	4,809,076	433,466	191,714	625,180	633,751
Paris Jt Sch Dist #1 Etal	921,112	66,266	42,425	108,691	0
Parkview School District	5,914,309	364,919	332,970	697,888	0
Pecatonica Area School Dist	2,856,760	176,384	160,714	337,098	0
Pepin Area School District	1,713,146	113,980	88,171	202,151	0
Peshtigo School District	6,008,099	375,335	333,620	708,956	0
Pewaukee School District	13,947,541	818,957	826,853	1,645,810	0
Phelps School District	1,106,811	76,196	54,407	130,604	0
Phillips School District	4,638,861	321,009	226,377	547,386	0
Pittsville School District	3,357,391	245,450	150,722	396,172	0
Platteville School District	8,761,726	551,434	482,450	1,033,884	0
Plum City School District	1,218,921	74,515	69,318	143,833	0
Plymouth Joint School District	13,616,794	880,912	725,870	1,606,782	0
Port Edwards School District	2,484,174	205,091	88,042	293,133	0
Port Washington-Saukville S D	16,121,624	1,055,122	847,229	1,902,352	0
Portage Community School Dist	14,113,662	886,896	778,516	1,665,412	0
Potosi School District	2,312,551	164,629	108,252	272,881	0
Poynette School District	5,797,635	426,615	332,875	759,490	894,069
Prairie Du Chien Area Sch Dist	6,519,780	384,668	384,666	769,334	0
Prairie Farm Public Sch Dist	1,961,933	115,754	115,754	231,508	0
Prentice School District	2,825,426	181,614	151,786	333,400	0
Prescott School District	7,986,046	532,633	409,721	942,353	0
Princeton School District	2,185,855	153,411	122,007	275,418	367,625
Pulaski Community School Dist	22,366,591	1,337,361	1,301,897	2,639,258	0
Racine Unified School District	128,432,339	7,595,288	7,559,728	15,155,016	0
Randall Jt Sch Dist #1 Etal	3,514,439	239,474	175,230	414,704	0
Randolph School District	3,013,408	210,051	145,531	355,582	0
Random Lake School District	5,497,425	369,904	278,792	648,696	0
Raymond Sch Dist #14	2,365,379	139,660	139,455	279,115	0
Reedsburg School District	15,010,845	934,558	836,722	1,771,280	0
Reedsville School District	3,882,370	247,309	210,811	458,120	0
Rhineland School District	13,241,995	813,655	748,900	1,562,555	0
Rib Lake School District	2,232,047	131,691	131,691	263,382	0
Rice Lake Area School District	13,728,729	883,978	736,012	1,619,990	0
Richfield Jsd #1	1,374,578	98,014	80,681	178,695	138,227
Richland School District	7,452,656	439,707	439,707	879,413	0
Richmond School District	2,072,217	122,260	122,261	244,522	0
Rio Community School District	2,807,365	165,635	165,634	331,269	0
Ripon Area School District	10,081,145	594,788	594,787	1,189,575	0
River Falls School District	17,041,172	1,039,505	971,354	2,010,858	0
River Ridge School District	3,091,302	187,139	177,635	364,774	0
River Valley School District	8,158,158	584,577	467,826	1,052,402	1,700,247
Riverdale School District	3,072,791	192,777	169,812	362,589	0
Rosendale-Brandon School Dist	5,062,054	298,661	298,661	597,322	0
Rosholt School District	2,914,414	173,645	170,256	343,901	0
Royall School District	3,182,415	213,351	162,174	375,525	0
Rubicon Jt Sch Dist #6 Etal	515,085	30,390	30,390	60,780	0
Salem School District	5,274,323	398,001	292,935	690,936	656,094
Sauk Prairie School District	15,186,263	929,270	862,709	1,791,979	1
Seneca School District	1,462,917	85,867	86,757	172,624	0
Sevastopol School District	3,322,558	196,031	196,031	392,062	0
Seymour Community School Dist	12,753,853	752,475	752,480	1,504,955	0
Sharon Jt Sch Dist # 11 Etal	1,373,854	100,588	79,386	179,975	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Shawano School Dist	13,746,895	811,066	811,068	1,622,134	0
Sheboygan Area School District	65,696,107	4,018,546	3,733,595	7,752,141	0
Sheboygan Falls School Dist	9,852,731	691,647	470,976	1,162,622	0
Shell Lake School District	3,739,931	220,659	220,653	441,312	0
Shiocton School District	4,063,398	239,740	239,741	479,481	0
Shorewood School District	13,209,193	956,484	602,201	1,558,685	0
Shullsburg School District	1,980,224	148,891	110,519	259,409	196,092
Silver Lake Jt Sch Dis #1 Etal	2,396,780	141,411	141,409	282,820	13
Siren School District	2,883,111	185,097	155,110	340,207	0
Slinger School District	14,962,880	1,004,398	761,222	1,765,620	0
Solon Springs School District	1,948,564	141,130	112,183	253,313	0
Somerset School District	9,065,734	545,818	523,939	1,069,757	0
South Milwaukee School Dist	19,952,389	1,177,670	1,176,711	2,354,382	0
South Shore School District	1,288,335	101,402	50,621	152,024	0
Southern Door County Sch Dist	6,584,118	388,463	388,463	776,926	0
Southwestern Wisc Comm Sch Dis	2,391,862	272,364	9,875	282,240	0
Sparta Area School District	14,406,002	849,952	849,957	1,699,908	0
Spencer School District	3,512,935	209,670	204,857	414,526	0
Spooner Area School District	7,023,655	415,311	413,480	828,791	0
Spring Valley School District	4,251,434	293,350	250,834	544,184	345,724
St Croix Central Sch Dist	7,187,942	529,878	318,300	848,177	0
St Croix Falls School District	6,388,132	376,900	376,899	753,800	0
St Francis School District #6	6,813,668	402,006	402,006	804,013	0
Stanley-Boyd Area School Dist	4,942,284	291,594	291,596	583,190	0
Stevens Point Area Pub Sch Dist	39,529,203	2,342,421	2,322,025	4,664,446	0
Stockbridge Sch Dist	1,136,239	67,038	67,038	134,076	0
Stone Bank School District	2,104,930	139,643	108,739	248,382	0
Stoughton Area School District	19,401,996	1,144,774	1,144,662	2,289,436	0
Stratford School District	3,929,649	234,558	229,140	463,699	0
Sturgeon Bay School District	7,519,937	459,675	427,677	887,353	0
Sun Prairie Area Sch Dist	45,051,528	2,658,037	2,658,043	5,316,080	0
Superior School District	29,200,018	1,722,814	1,722,788	3,445,602	0
Suring Public School District	2,311,379	156,387	116,356	272,743	0
Swallow School District	2,716,562	160,278	160,277	320,554	0
Thorp School District	3,182,454	187,764	187,765	375,530	0
Three Lakes School District	3,737,770	220,528	220,529	441,057	0
Tigerton School District	1,151,801	68,788	67,125	135,913	0
Tomah Area School District	17,878,431	1,182,713	926,942	2,109,655	0
Tomahawk School District	7,857,881	503,882	423,348	927,230	0
Tomorrow River School District	5,151,826	306,533	301,382	607,915	0
Trevor-Wilmot Cons Gr SD	3,380,526	210,975	187,927	398,902	0
Tri-County Area Sch Dist-Plnfd	4,011,589	237,377	235,990	473,367	0
Turtle Lake School District	2,554,619	150,723	150,722	301,445	0
Twin Lakes Sch Dist #4	2,289,293	151,013	119,124	270,137	0
Two Rivers Public School Dist	10,346,928	610,471	610,467	1,220,938	0
Union Grove Jt Sch Dis #1 Etal	4,046,995	243,747	233,798	477,545	0
Union Grove Union High Sch Dis	4,311,569	289,119	219,646	508,765	0
Unity School District	6,357,960	570,058	180,181	750,239	0
Valders Area School District	5,935,583	384,586	315,813	700,399	0
Verona Area School District	34,161,600	2,344,527	1,686,542	4,031,069	0
Viroqua Area School District	5,847,427	345,171	344,826	689,996	0
Wabeno Area School District	2,979,478	195,061	156,518	351,578	0
Walworth Jt Sch Dist # 1 Etal	2,401,035	156,123	127,199	283,322	0
Washburn School District	3,470,567	228,567	180,960	409,527	0
Washington School District	618,394	44,460	35,312	79,773	82,185
Washington-Caldwell Sch Dist	1,084,815	70,584	57,424	128,008	0
Waterford Union High Sch Dist	6,629,011	414,023	368,201	782,223	0
Waterford Vil Jt Sch Dist #1	6,998,092	457,411	368,364	825,775	0
Waterloo School District	4,705,950	277,652	277,651	555,302	0
Watertown Unified School Dist	22,341,388	1,608,580	1,318,142	2,926,722	4,265,232
Waukesha School District	76,893,829	5,072,996	4,000,476	9,073,472	0
Waunakee Community School Dist	22,800,850	1,345,248	1,345,253	2,690,500	0
Waupaca School District	13,202,292	889,083	668,788	1,557,870	0
Waupun Area School District	10,794,380	713,914	559,823	1,273,737	0
Wausau School District	55,383,868	3,515,499	3,019,798	6,535,296	0
Wausaukee School District	2,179,189	127,829	129,316	257,144	0
Wautoma Area School District	8,930,020	589,328	464,414	1,053,742	0
Wauwatosa School District	42,033,197	2,478,742	2,481,176	4,959,917	0
Wauzeka Jt Sch Dist Etal	1,917,758	112,480	113,815	226,295	0



Contributions

Name	Covered Payroll	Employer Paid*	Employee Paid	Total	Unfunded Liability Balance
Webster School District	4,067,785	256,082	223,917	479,999	0
West Allis-West Milw Sch Dist	46,605,975	2,905,958	2,593,548	5,499,505	0
West Bend Jt Sch Dist #1	37,330,017	2,193,757	2,211,185	4,404,942	0
West Depere School District	14,668,308	874,904	855,956	1,730,860	(500)
West Salem School District	9,300,739	553,384	544,103	1,097,487	0
Westby Area School District	6,048,420	356,858	356,856	713,714	0
Westfield School District	5,115,885	400,436	203,238	603,674	0
Weston School District	2,095,378	145,320	122,888	268,208	356,460
Westosha Central High Sch Dist	6,428,668	413,688	344,895	758,583	0
Weyauwega-Fremont School Dist	4,942,600	291,612	291,614	583,227	0
Wheatland Jt Sch Dist #1 Etal	2,517,958	186,153	148,735	334,888	155,097
White Lake School District	1,004,085	69,007	49,475	118,482	0
Whitefish Bay School District	17,531,278	1,181,687	887,004	2,068,691	0
Whitehall School District	3,805,925	233,001	216,099	449,099	0
Whitewater Unified School Dist	10,771,585	635,524	635,523	1,271,047	0
Whitnall School District	13,000,900	767,053	767,053	1,534,106	0
Wild Rose School District	3,416,468	201,575	201,568	403,143	0
Williams Bay School District	3,109,584	183,524	183,406	366,931	0
Wilmot Union High School Dist	7,206,689	425,209	425,181	850,389	0
Winneconne Comm School Dist	8,084,869	477,007	477,008	954,015	0
Winter School District	2,074,426	132,315	112,467	244,782	0
Wisconsin Dells School Dist	10,216,815	637,052	568,532	1,205,584	0
Wisconsin Heights School Dist	4,357,871	319,806	194,423	514,229	0
Wisconsin Rapids School Dist	34,815,757	2,191,914	1,916,346	4,108,259	0
Wittenberg-Biramwood Sch Dist	6,209,208	399,317	333,369	732,687	0
Wonewoc & Union Center Sch Dis	1,866,199	119,029	101,183	220,211	0
Wrightstown Community Sch Dist	6,074,364	419,149	358,370	777,519	291,520
Yorkville Jt Sch Dist #2 Etal	2,075,812	122,472	122,474	244,946	0
Total School Districts	4,840,915,100	332,752,854	241,138,231	573,891,085	23,565,290
Technical Colleges					
Blackhawk Technical College	16,338,175	1,025,405	902,499	1,927,905	0
Chippewa Valley Tech College	30,710,095	2,659,754	964,038	3,623,791	0
Fox Valley Technical College	57,405,538	6,084,662	689,192	6,773,853	0
Gateway Tech College	44,380,365	3,782,243	1,454,640	5,236,883	0
Lakeshore Technical College	18,362,604	1,083,393	1,083,395	2,166,787	0
Madison Area Tech College	94,730,582	5,594,469	5,583,739	11,178,209	0
Mid-State Technical College	15,356,341	1,205,790	606,258	1,812,048	0
Milwaukee Area Tech College	121,367,608	12,274,160	2,047,217	14,321,378	0
Moraine Park Technical College	24,932,056	2,080,940	861,043	2,941,983	0
Nicolet Area Technical College	11,861,883	962,692	437,010	1,399,702	0
North Central Tech College	23,995,102	1,933,879	897,543	2,831,422	0
Northeast Wisc Tech College	50,642,783	2,987,936	2,987,912	5,975,848	0
Southwest Wisc Tech College	11,394,681	672,527	672,046	1,344,572	0
Waukesha Co Technical College	39,570,311	2,333,531	2,335,766	4,669,297	0
Western Tech College	26,582,143	1,586,669	1,550,024	3,136,693	0
Wisconsin Indianhead Tech Coll	25,339,925	1,521,811	1,468,300	2,990,111	0
Total Technical Colleges	612,970,193	47,789,861	24,540,622	72,330,483	0
CESAs					
CESA #1	4,978,483	358,450	293,731	652,181	469,572
CESA #10, Chippewa Falls	7,089,938	418,306	418,306	836,613	0
CESA #11	7,305,937	431,050	431,051	862,101	0
CESA #12, Ashland	2,208,668	137,154	123,469	260,623	0
CESA #2	6,519,945	384,677	384,676	769,353	0
CESA #3, Fennimore	1,571,118	114,692	92,696	207,388	447,727
CESA #4, Lacrosse	1,880,549	133,519	110,952	244,471	37,059
CESA #5, Portage	8,729,726	628,539	515,055	1,143,594	537,294
CESA #6, Oshkosh	8,259,307	594,727	487,242	1,081,969	2,105,077
CESA #7, Green Bay	8,507,944	501,969	501,969	1,003,937	0
CESA #8, Gillett	5,318,696	313,742	313,865	627,606	0
CESA #9, Tomahawk	1,871,783	111,415	109,456	220,870	0
Total CESAs	64,242,095	4,128,239	3,782,468	7,910,707	3,596,729
Total WRS	12,627,474,164	1,035,013,844	611,670,329	1,646,684,173	69,722,604

* Includes contributions of WRS, Accumulated Sick Leave Conversion and Duty Disability.