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March 19, 2018

Ms. Cindy Klimke-Armatoski, CPA  
Chief Trust Finance Officer  
Wisconsin Department of Employee Trust Funds  
801 West Badger Road  
Madison, Wisconsin 53707-7931

**Re: GASB 74/75 Presentation to Group Insurance Board**

Dear Cindy:

Thank you for the opportunity to partner with you to prepare and deliver an introduction to GASB 74 and 75 to the Group Insurance Board tentatively scheduled August 22, 2018 regarding the Retiree Life Insurance Program. Based on our recent discussions, we have identified services in addition to the GASB 74/75 valuation work already conducted for the Retiree Life insurance Program to be performed by Milliman. This letter provides a description of those services along with our proposed fees.

**PROPOSED SERVICES**

Based on our discussions, Milliman proposes the following services regarding the presentation of the new requirements of GASB 74 and 75 to the Group Insurance Board:

Develop a PowerPoint presentation to provide an overview of the new GASB 74/75 requirements for the Wisconsin Retiree Life Insurance Program. This will be a high level summary for the Board regarding what the new GASB requirements mean for both the plan and the participating employers.

We will provide a draft of the PowerPoint presentation for your review and discuss any changes via conference call. Based on your feedback, we will make any requested changes and provide a second draft for further review by ETF staff and by Securian. Based on the second round of feedback, we will provide a final version of the PowerPoint. We will then present the information to the Group Insurance Board at a meeting in Madison, Wisconsin.

**FEES**

We propose time and out of pocket expenses for the proposed services. Most of the proposed services will be provided at the Principal & Consulting Actuary level.

Our 2018 billing rates are shown below. Future billing rates could be higher or lower.

Position Level	2018 Hourly Billing Rate
Principal & Consulting Actuary	\$350 to \$475
Benefits Consultant	\$360
Consulting Actuary	\$330 to \$400
Actuary	\$250 - \$350
Actuarial Analyst	\$150 - \$250
Administrative Assistant	\$100 - \$150

In addition to professional fees, we will bill for out-of-pocket expenses (e.g., reasonable hotel, meals and travel), if any, related to the project. We expect the total fees for these additional services will be less than \$4,500.

### CONTRACTING

If this proposal is acceptable to you, Milliman will work with ETF to amend our existing contract to reflect this additional work.



Thank you again for this opportunity. Please call Tim Herman (262-796-3318) with any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Skwire".

Daniel D. Skwire, FSA, MAAA  
Principal and Consulting Actuary

A handwritten signature in black ink, appearing to read "Timothy J. Herman".

Timothy J. Herman, FSA, EA MAAA  
Principal and Consulting Actuary

DDS/TJH/cmw

R:\CLIENT\124\WRS\ETF 5.16.2018 GASB 7475 PRESENTATION TO GIB.DOCX  
*Sent electronically—no hard copy mailed*