

RESOLUTION NO. 7-298

Wisconsin Retirement System

WHEREAS Iowa County has an unfunded Actuarial Accrued Liability (UAAL) balance as of December 31, 1996 of \$1,558,125.00 which is amortized over a forty year period and paid off as a percentage of payroll; and

WHEREAS payments toward the balance are made monthly in the form of 1.50% of the county's general employee payroll, .90% of the elected employee payroll, .60% of the county's protective occupation employee payroll; and

WHEREAS an effective interest charge of 8% is added to the balance annually effectively increasing the UAAL balance for the first approximately twenty years of the forty year amortization; and

WHEREAS each time a Wisconsin Retirement System increase is enacted into law which provides benefits to service previously performed, the UAAL is recalculated and a new forty year amortization schedule is started; and

WHEREAS the State of Wisconsin Investment Board invests the over \$50 billion in WRS assets and has attained investment returns averaging (1987 through 1996) 10.7% for the Fixed Rate Fund while the WRS expects returns averaging 8%;

WHEREAS the Investment Board earnings in excess of 8% have been identified by advocates of a WRS benefit increase as available for use to fund said benefit increase.

NOW THEREFORE MAY IT BE RESOLVED BY THE IOWA COUNTY BOARD OF SUPERVISORS that said Board hereby goes on record in support of retirement legislative initiatives including a benefit increase if such increase does not create any new unfunded liability, provides a substantial reduction or elimination of current unfunded liability, does not result in an increase in contribution rates, does not otherwise affect any scheduled reduction in contribution rates, and should UAAL be forgiven or eliminated, recognizes previous advance payments which may