**Wisconsin Retirement System Pension Contributions**

- State statutes require the employer to contribute a percent of payroll as determined annually by the trust fund actuary. The amount varies by employment category (for 2011 the rates range from 5.1% to 9.4%)

- State statutes require an employee contribution (5%) for most employees, which may be paid by the employer as part the employer’s compensation plan or collective bargaining agreement(s). The state currently pays the full 5% for state employees.

- A benefit adjustment contribution (BAC) to fund benefit improvements enacted in 1983 is paid by the employee unless the employer agrees to pay all or part of it through the compensation plan or collective bargaining agreements. Under the current comp plan and collective bargaining agreements, the state will pay an amount up to 1.3%. For 2011 the BAC for most employees will be 1.5%, with the employee paying .2%.

- Historically, adjustments to employee contributions need to be made via the compensation plan (non-represented employees) or through the collective bargaining process (represented employees). Both processes involve the administration’s submission to the Joint Committee on Employment Relations (JCOER). For the compensation plan adjustment, only JCOER needs to approve (not the full Legislature, which needs to approve CBAs).

**Health Insurance Premiums**

- Wis. Stat. s. 40.05(4)(ag)2 states that the employer, “shall pay, regardless of the plan selected by the employee, not less that 80% of the average premium cost of plans offered in the tier with the lowest premium cost under s. 40.51(6).”

- The Office of State Employment Relations, through the collective bargaining agreements and compensation plans, recommends the specific employer contribution to the Joint Committee on Employment Relations. In 2010 the employer paid approximately 94.6% of the total premium.

- Some represented employees are still paying employee contributions established in prior years because their bargaining unit has not yet settled for contract years 2009-2011.

- Historically, adjustments to the employee contributions need to be made via the compensation plan (non-represented employees) or through the collective bargaining process (represented employees). Both processes involve the administration’s submission to the Joint Committee on Employment Relations (JCOER). For the compensation plan adjustment, only JCOER needs to approve (not the full Legislature which needs to approve CBAs).