VOTE

2018 RESOLUTION 75

Advisory Resolution Requesting an Actuarial Analysis of Creating a
“County Jailer” WRS Occupation as Proposed in LRB 0856/1

WHEREAS, county jail employees are essential to Washington County’s goal of ensuring
a “Safe and Secure Community;” and

WHEREAS, in recent years, the Washington County Board has authorized market pay
increases for our county jail staff and will again study compensation in the coming months; and

WHEREAS, for nearly 20 years, legislation has been proposed to create a county jailer
designation in the protective class within the Wisconsin Retirement System (WRS); and

WHEREAS, LRB 0856/1, which would grant to county jailers’ protective status with the
county portion of duty disability premiums and larger WRS contribution rate paid by the jailer, is
being circulated for co-sponsorship; and

WHEREAS, Washington County cannot, with certainty, say the bill will hold the county
taxpayers harmless and that all of the costs will be in fact paid by jail staff; and

WHEREAS, Washington County estimates nearly a third of our jail staff would be eligible
to retire within the first year of the bill taking effect, which could put stress on the WRS
contribution rate; and

WHEREAS, should the jail staff become protective class, Washington County’s protective
status employee count would nearly double causing an increased opportunity for duty disability
claims and Washington County’s duty disability premiums to increase; and

WHEREAS, Employee Trust Fund (ETF) staff, who run the WRS, testified in committee
last year that an actuarial analysis should be completed to “develop a more detailed impact analysis
and fiscal estimate on premiums for the program;” and

WHEREAS, the Wisconsin Counties Association has taken the position to support the bill
as drafted;

NOW, THEREFORE, BE IT RESOLVED by the Washington County Board of
Supervisors that any bill approach for county jailers to receive protective status should not
advance.

BE IT FURTHER RESOLVED that the Washington County Board of Supervisors
requests the Wisconsin County Association Board of Directors review the organization’s position
on the bill.

BE IT FURTHER RESOLVED that the Washington County Board directs a copy of this
resolution to be sent to the Office of the Governor, legislators representing Washington County,
all Wisconsin counties, and the Wisconsin Counties Association.
VOTE REQUIREMENT FOR PASSAGE: Majority

RESOLUTION SUMMARY: Resolution requesting an actuarial analysis of LRB 0856/1.

APPROVED: Introduced by members of the PUBLIC SAFETY
(signed by Bradley S. Stern) COMMITTEE as filed with the County Clerk.
Bradley S. Stern, County Attorney
Dated 2/13/19 (signed by Michael C. Bassill)
Considered 2/13/18 Michael C. Bassill, Chairperson
Adopted 2/13/18
Ayes 13 Noes 11 Absent 2

Voice Vote

(We are currently unable to determine a fiscal impact in relation to the proposed legislation due to a lack of actuarial data available on the proposed changes. However, it is highly likely that County costs would increase for most of our protective occupation employees.

The rates the County currently contributes to the Wisconsin Retirement System (WRS) for pension benefits are based on actuarial studies obtained by the WRS. Those actuarial studies are based on specific assumptions and actuarial methodologies that take into account past experience of the system as a whole and reasonable future assumptions. Adding a new group of employees to the WRS protective class would essentially negate the assumptions used to set our current rates and would likely impact the future rates for all protective class employees (not just the jailers opting in). It is anticipated rates would increase since the protective class of employees can retire earlier than other WRS employee classes and the number of participants in the class would see a one-time significant growth not previously anticipated. There are 78 County positions currently classified as protective.

In addition to changes in WRS pension rates, it is also likely that duty disability rates would also increase. The duty disability insurance program is an income replacement program for protective occupation employees (similar to workers' compensation benefits). It is fully funded by the employers and rates are based on claims experience. Annually, rates are, again, determined by an actuary based on claims experience, funding status of the program, and other factors. By allowing a new group of employees to opt into this insurance pool, there would be an increased risk of higher claims experience which would impact rates. These anticipated rate increases would be for all enrolled, not just the new jailers class that opted into the program. And since this is fully employer paid (for all current protective occupations), the County would experience increased costs.

Lastly, there would be an indirect cost to the proposed legislation. By allowing employees to individually select to opt in or out, it creates increased administrative work to manage the two groups of employees—those who have opted in and those who have not. Additional work includes maintaining two protective class benefit codes for WRS benefits in the payroll system and additional WRS reporting requirements.)