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The State of Wisconsin

WISCONSIN RETIREMENT FUND
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November 23, 1965

RET 2,4

Mr. James J. Burke
Revisor of Statutes
State Capitol
Madison, Wisconsin

I, Frederick N. MacMillin, Executive Director of the Wisconsin Retirement Fund, do hereby certify that I have compared the annexed copy of the:

- ✓Amendment of Rule Ret 4.015 (2)
- ✓Creation of Rule Ret 2.71
- ✓Creation of Rule Ret 4.016
- ✓Creation of Rule Ret 4.017
- ✓Amendment of Rule Ret 4.033 (2)
- ✓Repeal of Rule Ret 4.21
- ✓Amendment of Rule Ret 4.31
- ✓Creation of Rule Ret 4.034

of the Wisconsin Retirement Fund with the original thereof and that the same is a true and correct copy of the original of such rules as amended, created and repealed by the Board of Trustees of the Wisconsin Retirement Fund on November 22, 1965, following a public hearing held thereon at the office of the Wisconsin Retirement Fund at 9:00 a.m. on November 11, 1965, at which no appearances were made.

In witness whereof I have hereunto set my hand at Madison, Wisconsin, this twenty-third day of November, nineteen hundred and sixty-five.

Frederick N. MacMillin
Executive Director
Wisconsin Retirement Fund

Ret 4.015 (2) Determine the actuarial equivalent factor to be used for the employe from Table E-1 Integrated interpolating for the exact age on the first date the annuity is to begin.

TABLE E-1 INTEGRATED

OPTION IV - OPTIONAL INTEGRATED ANNUITY
(Effective January 1, 1966)

OPTIONAL INTEGRATED ANNUITY: Sec. 66.906 (3b)

Actuarial Equivalent Factors

Exact Age Annuity Begins	Actuarial Equivalent
55	46.523%
56	49.761
57	53.315
58	57.227
59	61.544
60	66.325
61	71.635
62	77.553
63	84.174
64	91.611
65	100.000

Ret 2.71 Creditable current service. Each participating municipality and state department shall list the creditable current service to the nearest half month for each participating employe on each quarterly payroll report.

Only employment represented by participating earnings paid shall be creditable current service.

(1) In listing periods of full-time employment after December 31, 1965 for purposes of determining creditable current service, service beginning prior to the 8th of the calendar month shall be computed as an entire month; service beginning from the 8th to the 23rd of the calendar month, both inclusive, shall be computed as a half month; and service beginning after the 23rd of the month shall be disregarded. For such purpose, service ending prior to the 8th of the calendar month shall be disregarded; service ending from the 8th to the 23rd of the calendar month, both inclusive, shall be computed as a half month; and service ending after the 23rd of the month shall be computed as a full month. In making such computations, service must be continuous from the beginning of the month, or to the end of the month, whichever is applicable.

(2) Creditable current service for periods of less than full-time employment for which earnings are payable after December 31, 1965 shall be granted in accordance with the following table on the basis of the number of hours, days or weeks for which such earnings are payable in any calendar quarter year, according to whether the amount of such earnings are based on an hourly, daily or weekly rate, respectively, provided that if a premium rate is payable with respect to any such employment the premium will be disregarded:

Number of Hours, Days or Weeks For which earnings are Payable in Calendar Quarter Year			Months of Creditable Service in Calendar Quarter Year
Hours	Days	Weeks	
0 - 43.2	0 - 5.3	0 - 1.0	0
43.3 - 129.9	5.4 - 16.1	1.1 - 3.2	1/2
130.0 - 216.6	16.2 - 27.0	3.3 - 5.3	1
216.7 - 303.2	27.1 - 37.8	5.4 - 7.5	1-1/2
303.3 - 389.9	37.9 - 48.6	7.6 - 9.6	2
390.0 - 476.6	48.7 - 59.5	9.7 - 11.8	2-1/2
476.7 & over	59.6 & over	11.9 & over	3

Ret 4.016 Formula early retirement annuity. The annuity in the normal form beginning prior to the normal retirement date of a participant which is the actuarial equivalent of a formula annuity deferred to the normal retirement date shall be computed as follows:

(1) Determine pursuant to section 66.906 (2) (c) 3. the formula annuity which would be payable to the participant if deferred to his normal retirement age.

(2) Determine the commuted value of the amount of death benefit payable with respect to the deferred formula annuity if the death of the participant occurs prior to its commencement as follows:

(a) The amount equal to the death benefit which would be payable pursuant to section 66.908 (2) (a), exclusive of any amount provided by accumulated additional credits, if the death of the participant occurred on the date as of which his early retirement annuity begins; reduced (increased) by the amount equal to 200% of the excess (deficiency) defined in section 66.906 (2) (c) 2.; or

(b) The amount equal to the accumulated normal credits of the participant as of the date as of which his early retirement annuity begins, reduced (increased) by the amount equal to 100% of the excess (deficiency) defined in section 66.906 (2) (c) 2.

(c) Paragraph (a) shall be applicable if the beneficiary to whom a death benefit would be payable is a spouse, parent, child (including legally adopted child), grandchild, brother, or sister of the participant who was designated as a beneficiary on the last date for which the participant was paid; and the participant has credit for at least 60 calendar quarter years;

(d) Paragraph (b) shall be applicable if paragraph (a) is not applicable.

(3) Compute the early annuity in the normal form actuarially equivalent to the deferred annuity as follows:

(a) Compute to the nearest 1/10 year the age of the participant as of the date the early retirement annuity begins.

(b) Determine the Table E-Early factors applicable to the participant according to his normal retirement age and the age determined under par. (a). If the latter is a fractional age compute the factors by linear interpolation.

TABLE E-Early

EARLY RETIREMENT ANNUITY FACTORS
(Effective September 12, 1965)

Age	Normal Retirement Age -65		Normal Retirement Age -60	
	Formula Annuity Reduction Factor	Probability of Death	Formula Annuity Reduction Factor	Probability of Death
65	1.00000	.00000		
64	.91611	.01955		
63	.84174	.03710		
62	.77553	.05296		
61	.71635	.06735		
60	.66325	.08046	1.00000	.00000
59	.61544	.09241	.92739	.01300
58	.57227	.10331	.86185	.02485
57	.53315	.11324	.80248	.03565
56	.49761	.12226	.74856	.04546
55	.46523	.13043	.69948	.05435
54	.43566	.13781	.65467	.06237
53	.40859	.14446	.61366	.06960
52	.38376	.15043	.57603	.07610
51	.36092	.15576	.54145	.08189
50	.33989	.16050	.50961	.08705
49	.32048	.16470	.48024	.09162
48	.30253	.16841	.45309	.09565
47	.28590	.17167	.42795	.09920
46	.27047	.17453	.40465	.10231
45	.25612	.17703	.38298	.10502
44	.24277	.17923	.36283	.10742
43	.23033	.18118	.34405	.10954
42	.21871	.18293	.32652	.11144
41	.20784	.18452	.31012	.11132
40	.19767	.18600	.29478	.11478
39	.18813	.18736	.28041	.11626
38	.17917	.18862	.26691	.11763
37	.17074	.18979	.25423	.11890
36	.16281	.19088	.24230	.12009
35	.15534	.19190	.23107	.12120
34	.14829	.19285	.22047	.12223
33	.14164	.19374	.21048	.12320
32	.13535	.19457	.20103	.12410
31	.12941	.19536	.19210	.12496

TABLE E-Early

EARLY RETIREMENT ANNUITY FACTORS
(Effective September 12, 1965)
(Continued)

Age	Normal Retirement Age -65		Normal Retirement Age -60	
	Formula Annuity Reduction Factor	Probability of Death	Formula Annuity Reduction Factor	Probability of Death
30	.12377	.19610	.18365	.12576
29	.11844	.19680	.17564	.12652
28	.11337	.19746	.16805	.12724
27	.10857	.19809	.16086	.12793
26	.10400	.19869	.15402	.12858
25	.09967	.19926	.14753	.12920
24	.09554	.19981	.14136	.12980
23	.09162	.20034	.13548	.13037
22	.08788	.20085	.12990	.13093
21	.08432	.20133	.12457	.13145
20	.08092	.20180	.11950	.13196

(c) Multiply the formula annuity determined under 1. by the Formula Annuity Reduction Factor determined under 3 (b), rounding the product to three decimal places.

(d) Compute the present value of pre-retirement cash refund feature of deferred annuity by multiplying commuted value determined under 2. by the Probability of Death factor determined under 3 (b).

(e) Compute the annuity which can be provided by accumulated employer credits in the amount equal to the present value determined under 3 (d) by applying rule Ret. 4.011 and rounding the result to three decimal places.

(f) Compute the early retirement annuity under section 66.906 (2) (c) 3. by adding the amounts determined under 3 (c) and 3 (e).

Ret 4.017 Optional Formula Retirement Annuities. The retirement annuity of a participant in an optional form that is the actuarial equivalent of a regular retirement annuity determined under section 66.906 (2) (c) 3. or under section 66.906 (2) (d) 3. shall be computed as the money purchase annuity which can be provided by accumulated employe and employer credits in the respective amounts determined as follows:

(1) In the case of an annuity determined under section 66.906 (2) (c) 3.,

(a) Accumulated employe credits in the amount of the accumulated normal credits of the participant as of the date as of which the annuity begins, reduced (increased) by the amount equal to 100% of the excess (deficiency) defined in section 66.906 (2) (c) 2.

(b) Accumulated employer credits in the amount required to provide on a money purchase basis a life annuity equal to the excess of the life annuity determined under section 66.906 (2) (c) 3. over the life annuity which could be so provided by accumulated employe credits equal to the amount determined under paragraph (a).

(2) In the case of an annuity determined under section 66.906 (2) (d) 3., no accumulated employe credits, and accumulated employer credits in the amount required to provide on a money purchase basis a life annuity determined under section 66.906 (2) (d) 3.

Ret 4.033 (2) Determine the actuarial equivalent factor to be used for the widow from table W-1 Integrated interpolating for the exact age on the first date the annuity is to begin.

TABLE W-1 Integrated
(Effective January 1, 1966)

WIDOW INTEGRATED ANNUITY: Sec. 66.909 (1) (cc)

Widow Actuarial Equivalent Factors

Exact Age When Annuity Starts	Actuarial Equivalent Factor	Exact Age When Annuity Starts	Actuarial Equivalent Factor
20	11.691%	42	30.859%
21	12.177	43	32.425
22	12.685	44	34.093
23	13.219	45	35.874
24	13.778	46	37.776
25	14.365	47	39.810
26	14.981	48	41.990
27	15.628	49	44.330
28	16.307	50	46.847
29	17.022	51	49.555
30	17.774	52	52.475
31	18.565	53	55.629
32	19.399	54	59.042
33	20.278	55	62.742
34	21.205	56	66.761
35	22.186	57	71.133
36	23.221	58	75.902
37	24.315	59	81.112
38	25.474	60	86.822
39	26.703	61	93.092
40	28.005	62	100.000
41	29.388		

Rule Ret 4.21 is repealed.

Ret 4.31 Disability premiums. Pursuant to section 66.912 (3) (a), Wis. Stats., the disability benefit premiums shall be as follows:

Municipality Contribution Rates--Disability Benefits

The percentage is determined for each municipality as follows:

(1) Determine the prior calendar year earnings of all active employes under age 65.

(2) Determine the prior calendar year earnings of all active employes.

(3) Divide item (1) by item (2).

(4) Multiply the result in item (3) by 0.50%. The result is the percentage municipality rate for disability for the succeeding year.

Ret. 4.034 The following basic table, herein termed "Table E - Last Survivor~~, Equivalent Factors, Death of Participating Employe After Age 60~~" shall be used to compute the amount of the joint and survivor annuity described in Sec. 66.908(2)(g) as follows:

(1) Determine to the near one-tenth year the age of the participating employe at date of death and the difference between his age and that of the eldest qualified beneficiary (spouse, minor child or other dependent).

(2) Compute amount of annuity which would have been payable to the deceased participating employe under Sec. 66.906(2) if he was eligible therefor.

(3) Multiply the annuity computed under item (2) by Table E - Last Survivor factor for employe age and difference in ages determined under item (1).

(a) If age of participating employe and difference in ages are not integral obtain appropriate factor by linear interpolation.

(b) Table E - Last Survivor may be extended as required to other ages and differences in ages on the same actuarial basis as the values shown herein.

TABLE E - LAST SURVIVOR

Amount of Last Survivor Annuity Equivalent to a Unit of Life Annuity

Difference in Age of Beneficiary	Age of Participating Employe										
	60	61	62	63	64	65	66	67	68	69	70
- 15	.6443	.6341	.6236	.6129	.6020	.5909	.5799	.5689	.5579	.5469	.5358
- 14	.6518	.6418	.6316	.6211	.6104	.5996	.5887	.5780	.5673	.5566	.5457
- 13	.6596	.6498	.6398	.6295	.6191	.6086	.5980	.5875	.5771	.5667	.5561
- 12	.6676	.6581	.6483	.6383	.6282	.6179	.6076	.5975	.5874	.5772	.5669
- 11	.6759	.6667	.6572	.6475	.6376	.6276	.6177	.6078	.5981	.5882	.5782
- 10	.6845	.6755	.6663	.6570	.6474	.6378	.6281	.6186	.6092	.5997	.5900
- 9	.6933	.6847	.6758	.6668	.6575	.6482	.6389	.6298	.6207	.6116	.6022
- 8	.7025	.6941	.6856	.6769	.6680	.6591	.6501	.6413	.6326	.6238	.6149
- 7	.7119	.7039	.6957	.6873	.6788	.6702	.6617	.6532	.6449	.6365	.6280
- 6	.7215	.7139	.7060	.6980	.6899	.6817	.6735	.6655	.6576	.6496	.6415
- 5	.7314	.7241	.7166	.7090	.7013	.6935	.6857	.6781	.6706	.6631	.6554
- 4	.7414	.7346	.7275	.7203	.7129	.7055	.6982	.6910	.6839	.6769	.6697
- 3	.7517	.7452	.7385	.7317	.7248	.7178	.7109	.7041	.6975	.6909	.6843
- 2	.7621	.7560	.7497	.7433	.7368	.7303	.7238	.7175	.7114	.7053	.6992
- 1	.7726	.7669	.7611	.7551	.7490	.7429	.7368	.7310	.7255	.7199	.7144
0	.7832	.7779	.7725	.7669	.7613	.7556	.7500	.7448	.7397	.7347	.7297
+ 1	.7939	.7890	.7839	.7788	.7736	.7684	.7634	.7586	.7541	.7496	.7450
+ 2	.8046	.8000	.7954	.7907	.7860	.7813	.7767	.7725	.7684	.7644	.7601
+ 3	.8152	.8111	.8069	.8026	.7983	.7941	.7901	.7863	.7827	.7790	.7750
+ 4	.8257	.8220	.8182	.8144	.8106	.8069	.8033	.7999	.7967	.7933	.7896
+ 5	.8362	.8329	.8295	.8262	.8228	.8195	.8163	.8133	.8103	.8071	.8038
+ 6	.8465	.8436	.8406	.8377	.8348	.8319	.8290	.8262	.8235	.8206	.8175
+ 7	.8566	.8541	.8516	.8490	.8464	.8438	.8412	.8386	.8362	.8336	.8307
+ 8	.8665	.8644	.8622	.8600	.8577	.8553	.8529	.8506	.8484	.8460	.8435
+ 9	.8761	.8744	.8725	.8706	.8685	.8663	.8642	.8621	.8601	.8580	.8556
+ 10	.8855	.8840	.8824	.8806	.8788	.8768	.8749	.8730	.8712	.8693	.8672