

ETF 6,7

CERTIFICATE

STATE OF WISCONSIN )  
 ) SS  
DEPARTMENT OF EMPLOYE TRUST FUNDS)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Gary I. Gates, Secretary of the Department of Employee Trust Funds, and custodian of the official records of said Department do hereby certify that the annexed rules relating to annuity options, annuity rates, actuarial assumptions, and Social Security benefit estimating procedures were duly approved and adopted by the Employee Trust Funds Board on December 14, 1978.

I further certify that said copy has been compared by me with the original on file in the office of the Department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at the Capitol in the City of Madison, this 30th day of April, A.D.1979.

*Gary I. Gates*  
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Gary I. Gates, Secretary  
Department of Employee Trust Funds

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APR 30 1979  
4:05 pm  
REVISOR OF STATUTES  
BUREAU *GG*

ORDER OF THE EMPLOYE TRUST FUNDS BOARD  
ADOPTING AND REPEALING RULES

Pursuant to authority vested in the Employee Trust Funds Board by sections 15.05 (1) (b), 41.04 (2) (e), 41.11 (7) (intro.), 42.22 (2), 42.75 (4), and Chapter 280, Laws of 1975, and according to procedures set forth in Chapter 227, Wis. Stats., the Board hereby adopts and repeals rules as follows:

Section ETF 6.02 of the WISCONSIN ADMINISTRATIVE CODE is created to read:

ETF 6.02 Optional forms of annuity. (1) Pursuant to s. 41.11 (7) (intro.), Stats., and based on annuity conversion factors determined under ETF 7.01 Wis. Adm. Code, employes under the Wisconsin retirement fund may elect the following optional forms of annuity in lieu of the statutory options:

(a) A life annuity guaranteed for 180 months combined with a social security integrated annuity.

1. An employe shall not be eligible for this optional form of annuity if the monthly amount payable to the employe after attainment of age 62 would be less than \$25.00.

2. The total monthly annuity payable to the beneficiary or beneficiaries in any month after the death of the employe and prior to the expiration of the 180 month guarantee period shall be the amount of the annuity which would have been paid to the employe if living.

(b) A joint survivorship annuity combined with a social security integrated annuity.

1. An employe shall not be eligible for this optional form of annuity if the monthly amount payable to the employe after attainment of age 62 would be less than \$25.00.

2. The total monthly annuity payable to the beneficiary in any month after the death of the employe shall be 75% of the amount of the annuity which would have been paid to the employe if living.

(2) Pursuant to ss. 42.49 (2) (e), 42.75 (4), 42.76 (12) (a) 5., and 42.78 (2) (e), Stats., and based on annuity conversion factors determined under ETF 7.01 Wis. Adm. Code, employes under the state teachers retirement system or the Milwaukee teachers retirement fund may elect the following optional forms of annuity in lieu of the statutory options:

(a) A life annuity guaranteed for 120 months.

(b) A joint survivorship annuity with payments reduced 25% upon the death of member or beneficiary.

ETF 7.06 Estimated social security benefits. For purposes of determining maximum benefits under ss. 41.11 (6) (c) 4. and (d) 4., 42.245 (2) (b) 2. c. and (c) 2., and 42.78 (2) (b) 2., and (c) 2., Stats., and integrated benefits under ss. 41.11 (7) (d), 41.15 (4) (c), 42.242 (2) and (2a), and 42.73 (6) and (7), Stats., the estimated social security benefit shall be based on the following:

(1) The employe shall be assumed to have been in a position covered under social security in all years from 1956, or if later, from the year after the year in which age 21 was attained, to the year of retirement or death, except that years in which earnings are reported under ss. 41.07 (2) (a) 5. and (am) 4., Stats., shall be counted as zero.

(2) It shall be assumed that covered earnings increased from 1956, or if later, from the year after the year in which age 21 was attained, to the year of retirement or death at a rate determined by the actuary to reflect changes in the social security wage base and approximate average changes in earnings during such time; it shall be assumed also that the formula final rate of earnings or final average salary is equal to the earnings for the last full calendar year prior to retirement or death.

(3) The delayed retirement credit under federal social security statutes shall be applied to each year after age 65 and up to age 72.

(4) Based upon the assumptions in subs. (1), (2) and (3) above and in accordance with the provisions of the federal social security act, the actuary shall prepare a table correlating the employe's age and formula final rate of earnings or final average salary with a primary social security benefit, adjusting the table as necessary to prevent in most cases assumed social security benefits from exceeding actual social security benefits.

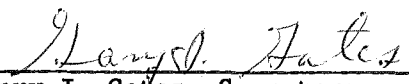
(5) Notwithstanding the above, if the applicant furnishes official information from the social security administration that the initial social security award is or will be in a different amount, such amount shall be used in the benefit computation.

ETF 7.07 Annuity reserves. Notwithstanding the previously stated assumptions in this chapter, the amounts credited to and the liabilities of the reserves for annuities granted shall be determined by the actuary on the basis of separate male-female experience under the 1971 Group Annuity Mortality Table with such adjustments as necessary, including separate adjustments for different types of annuities, to reflect actual experience of members under the retirement funds.

Chapters Ret 4 and TR 12 WISCONSIN ADMINISTRATIVE CODE are hereby repealed.

Pursuant to section 227.026 (1) (b), Wis. Stats., the rules and repeals contained herein shall take effect on January 1, 1980.

Employe Trust Funds

  
Gary I. Gates, Secretary

Dated: April 30, 1979