

Chapter Ret 8

VARIABLE ANNUITIES

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**Ret 8.01 Variable segregation of future normal contributions. (1)** Any participating employe may provide for a variable annuity through a segregation of not to exceed one-half of his future normal contributions in each calendar quarter year, together with an equal amount of credits in the municipality accumulation account in each calendar quarter year, by filing with the fund a written notice of election on form 50.

(4) The amount of the variable segregation may be increased by filing another form 50 which upon its effective date shall supersede any prior form 50.

Note: The amendment to (1) is effective January 1, 1962, but any participating employe may file an election pursuant hereto at any time prior thereto.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57; am. (1) and r. (2) and (3), Register, July, 1961, No. 67, eff. 1-1-62; r. and recr. (1), Register, December, 1966, No. 132, eff. 1-1-67.

**Ret 8.02 Variable segregation of accumulated credits. (1)** Any participating employe who has filed a form 50 may, by notice to the fund on a prescribed form, provide that there be segregated for a variable annuity, as provided in section 41.12 (4), an amount equal to 50% of the accumulated credits in all of his accounts (including an amount from the municipality accumulation account equal to the amount of employe normal contribution accumulations so segregated) at the beginning of the year in which the first form 50 executed by him was effective.

(2) In computing such percentage of the accumulated credits as of the beginning of the calendar year in which the original notice under section Ret 8.01 is effective all cents in excess of even dollars shall be disregarded.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57; r. and recr. (1), Register, December, 1966, No. 132, eff. 1-1-67; r. and recr. (1), Register, February, 1970, No. 170, eff. 3-1-70.

**Ret 8.03 Valuation of variable assets.** The value of the assets of the variable division shall be determined at the end of each calendar year, and at such other time as the board shall direct.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57.

**Ret 8.04 Gain or loss for variable accounts.** The net gain or loss of the variable division shall be determined annually as of the end of the calendar year, and at such other time as the board shall direct.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57.

Register, January, 1971, No. 181

**Ret 8.05 Recomputation of variable annuities.** (1) The amount payable with respect to each variable annuity previously granted shall be redetermined as of the end of each calendar year that the balance of the reserve for variable annuities granted account shall exceed or be less than, the present value of all variable annuities granted by at least 2% of the latter. Such redetermined amount shall be effective commencing the third month of the ensuing calendar year.

(2) Until approved by resolution adopted by the board of trustees the amounts payable under variable annuities shall not be affected by fluctuations in mortality experience.

(3) As of the end of each calendar year, the actuary shall certify to the director the then present value of all variable annuities granted, determined in accordance with the rate of interest and the approved actuarial tables then in effect.

(4) Whenever variable annuities are required to be redetermined pursuant to subsection (1), the director shall certify to the director of finance the rate of increase or decrease in variable annuities previously approved. The director of finance shall adjust the variable portion of all annuities accordingly. Fractional percentages shall be disregarded.

(5) The increase or decrease in the amount of any variable annuity that began subsequent to the last preceding general increase or decrease shall be adjusted so as to exclude all net gain or loss included in the accumulated credits used to provide the annuity.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57; am. (4), Register, October, 1961, No. 70, eff. 11-1-61; am. (3) and (4), Register, February, 1970, No. 170, eff. 3-1-70; am. (1), Register, January, 1971, No. 181, eff. 2-1-71.

**Ret 8.06 Death benefits.** (1) If at the death of an annuitant receiving an option 1 annuity or an integrated optional annuity, the accumulated credits arising from employe contributions used to provide the annuity exceeds the total annuity payments, both in the fixed annuity division and in the variable annuity division, the excess applicable to the fixed annuity division shall be the amount of the death benefit payable by the fixed annuity division, and the remainder of the death benefit shall be the amount payable by the variable annuity division. If at the death of a participant receiving such an annuity total variable annuity payments, or fixed annuity payments, but not both, are less than the accumulated credits arising from employe contributions applied to provide such payments, the death benefit which is payable pursuant to section 41.14 (2) (c) or (d), Wis. Stats., shall be payable from the division, for which such payments are less than such accumulated credits.

(2) The foregoing procedure is applicable as well to disability annuitants if a death benefit is payable based on the excess of accumulated contributions over annuity payments.

**History:** Cr. Register, November, 1957, No. 23, eff. 12-31-57; am. (1), Register, February, 1970, No. 170, eff. 3-1-70.