Election to Pay Cost of Actuarial Reduction

Wis. Stat. § 40.23 (2m) (g)

Employee Identification			ETF ID
Last Name	First Name	Middle Initial	Birth date (MM/DD/YYYY)

This is a binding contract. By signing it you agree to pay the actuarial cost of the increased formula retirement annuity for the employee named above. This election to pay the cost of actuarial reduction is irrevocable unless the Department of Employee Trust Funds receives written notice that you are rescinding this election within 30 days after ETF receives the election. Please read this document carefully before completing and signing it.

Note: Payment of the cost of actuarial reduction increases an annuity calculated under the formula method only. If the final annuity amount is greater by the money purchase calculation, you will not be billed for the cost of actuarial reduction. The other option to increase an employee's benefit, regardless of the final calculation method, is employer-paid additional contributions under Wis. Stat. § 40.05 (2) (g). Contact ETF about employer-paid additional contributions.

Estimated Cost

The employee named above has inquired about the cost to offset the actuarial reduction in their formula retirement annuity. The cost below is an estimate, based on the projected termination date and final earnings provided to ETF. If the termination date and/or final earnings are changed, the cost will increase or decrease to reflect the change. **The estimated cost to the employer and the increase in the employee's annuity shown below are based on the employer paying the cost to offset *100%* of the actuarial reduction. If the employer will pay for a percentage less than 100%, the cost and increase in the employee's annuity will decrease proportionately.**

Projected Termination Date:

Estimated Employer Cost to
Pay 100% of Actuarial Reduction: $

Monthly Annuity Increase in Employee's
"For Annuitant's Life Only" Option: $

☐ If checked, see the attached letter for more information.

Date:	Prepared By: Member Services Bureau	Telephone: 1-877-533-5020

Employer Instructions

If the projected termination date does not match your records, please enter the correct termination date: _____.
This date must match the date on your regular employee transaction report.

The amount shown above is an estimate of the employer cost to provide this benefit to your employee. **Do not submit payment with this election; you will be billed for the entire cost after the final computation of the employee's annuity is completed.** Entire payment is due by the date indicated on your employer invoice (approximately 30 days).

Your signed certification must be received by ETF no later than the date the participant terminates covered employment. **Note:** Before signing, review the employer-employee agreements to verify that this employee meets your eligibility criteria for this benefit provision. If the employee is represented by a labor organization, any action taken to provide the increased benefit must be taken pursuant to a collective bargaining agreement.

Employer Certification: I hereby certify that the above-named employee will voluntarily terminate employment on the termination date entered above. The employer agrees to pay the portion indicated below of the actuarial cost of the increased formula benefit pursuant to Wis. Stat. § 40.23 (2m) (g), as determined by the Department of Employee Trust Funds.

Check only one box. If you check either the second or third box, enter the amount.

☐ The employer agrees to pay 100% of the cost.

☐ The employer agrees to pay _____% of the cost.

☐ The employer agrees to pay $_____ of the cost (cannot exceed the cost to pay 100% of the actuarial reduction).

☐ The employer agrees to pay the cost of actuarial reduction as if the employee above were _____ years older. (Cannot exceed cost to pay 100% of the actuarial reduction.)

WRS Employer Identification Number	Telephone number, including area code
Printed Name of Employer Agent	Title
Signature of Employer Agent	Date (MM/DD/YYYY)