CITY OF STOUGHTON, 207 S FORREST ST, STOUGHTON, WISCONSIN

RESOLUTION OF THE COMMON COUNCIL		
Affirm City of Stoughton payment of Minnesota Life basic life insurance premiums for all covered employees		
Committee Action:	Finance Committee recommended approval ____ on 08/08/2023 **TIME SENSITIVE ITEM**	
Fiscal Impact:	Approximately $18,000 per year	
File Number:	R-125-2023	**Date: 08/08/23**

The City of Stoughton, Wisconsin, Common Council does proclaim as follows:

RECITALS:

WHEREAS, the City of Stoughton has been participating in the Local Group Life Insurance Program administered by the State of Wisconsin Department of Trust Funds (ETF) for many years; and,

WHEREAS, past practice for at least the last three decades has been that the City of Stoughton pays the basic life insurance premium amount for each covered employee; and,

WHEREAS, ETF's Wisconsin Public Employers Group Life Insurance Program Administration Manual (ET-1117 REV 6/20/2023) allows for an employer to pay the basic life insurance premium for covered employees as long as the Employer Resolution to Pay Entire Premium (ET-1301 REV 4/29/2019) is on file with ETF; and,

WHEREAS, ETF has recently confirmed that the City of Stoughton does not have Form ET-1301 on file with ETF; and,

WHEREAS, management has suggested that this employee benefit should be continued;

NOW THEREFORE BE IT RESOLVED, that the Human Resources & Risk Management Director is hereby authorized to sign the attached Employer Resolution to Pay Entire Premium (ET-1301 REV 4/29/2019) form and forward the signed form to the State of Wisconsin Department of Employee Trust Funds; and,

BE IT FURTHER RESOLVED, that the effective date of this approval to pay the basic insurance premiums of covered employees shall be August 8, 2023.

Fiscal note: Life insurance premium amounts are a function of wages (rounded up to the nearest thousand) as well as age of the employee. Based upon the August 2023 billing statement from Minnesota Life, twelve months of premiums would be $17,683. The city would still be required to pay the additional 20% of the basic premium amount to fund vesting of vesting of benefits at age 65, which is not included in the fiscal impact.

It should be pointed out this resolution is a continuation of a currently existing benefit so will not be an increase of cost to the city. As a point of information, the 2023 adopted budget was created not knowing of this past practice, so there will be a slight tax levy impact in the creation of the 2024 budget.

Council Action: ☐ **Adopted** ☐ **Failed** **Vote** _____

Mayoral Action: ☐ **Accept** ☐ **Veto**

_____

Mayor Tim Swadley Date

Council Action: _____ ☐ **Override** **Vote** _____

Employer Resolution to Pay Entire Premium

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Employer resolution to pay entire premium for *(check box(es))***:**

- [X] Basic Group Life Insurance (1x earnings)
- [ ] Supplemental Group Life Insurance (1x earnings)
- [ ] Additional Group Life Insurance
  - [ ] 1 Unit (1x earnings)
  - [ ] 2 Units (2x earnings)
  - [ ] 3 Units (3x earnings)
- [ ] Spouse and Dependent Group Life Insurance

Your resolution will take effect either on the first of the month following the date your resolution is received by ETF, or the first day of the second month following the date your resolution is received by ETF. Premiums will be due beginning on the effective date that you elect.

I elect to pay the entire premium beginning (*check one box*):

- [X] On the effective date of my resolution.
- [ ] On the first of the next month following the effective date of my resolution.

I hereby certify that pursuant to Wis. Stat. 40.05 (6)(e), a resolution to pay the entire group life insurance premium for all employees for the plan(s) indicated above was duly made by the

Common Council
(Governing body)

of the City of Stoughton
(Employer name)

Employer Identification Number (EIN): 69-036-

on August 8, 2023.
(Date action taken)

I understand that Wis. Stat. 943.395 provides criminal penalties for knowingly making false or fraudulent statements on this form and hereby certify that, to the best of my knowledge and belief, the information is true and correct.

Agent Signature	Title	Date (MM/DD/YYYY)
	Human Resources & Risk Management Director	08/08/2023

Submit completed form to ETF at ETFSMBESSNewEmployer@etf.wi.gov or fax to 608-267-4549.

For ETF use only: Effective date of coverage entered by ETF:

Chapter 5:
Cost of Insurance

Cost to Employee

Monthly premiums are determined as of April 1 of each year for state employees and as of July 1 of each year for local government employees, and are based on the employee's age on that date and the amount of insurance. Current *Life Insurance Rates* (ET-2164) are subject to change annually.

Monthly premiums are payroll deducted by the employer from the earnings of each insured active employee.

Both employee and employer may agree to a deduction schedule in which premiums are paid in advance for several months at a time (for example, if the employee is off work over the summer, or is a substitute teacher with uncertain work hours).

Premiums are due for each month during which group coverage is in force beginning on the first day of the month following thirty (30) days after the date of hire. When an insured retiree turns age sixty-five (65) no premiums will be deducted from the insured's annuity. For employees who retire between age sixty-five (65) and age sixty-nine (69) when they retire, the last premium is due for the month in which they retire.

When an active employee reaches age seventy (70):
Premiums for Basic, Supplemental, and Spouse & Dependent coverage are due only through the month prior to the month in which the employee turns age seventy (70).The employee's Basic coverage will continue at the final reduced amount with no further premiums due. Additional coverage continues and premiums are due until the employee terminates employment, cancels coverage or stops paying premium.

Refunding Excess Premiums

In the event an excess deduction of employee premium has been taken for any reason, premiums must be refunded to the employee. If the employee has already received his or her final paycheck after termination of employment, the employer who made the excess deduction is responsible for issuing a refund to the employee.

Cost to Employer

Wis. Stat. § 40.05 (6) (e), requires that each employer contribute toward the total cost of insurance for active employees until they reach age seventy (70).

The employer's cost is authorized by the Group Insurance Board and is subject to change. The required employer contribution must be paid by the employer and cannot be paid by employee (except in the situation where employees are appealing their dismissal).

Please note that the employer may pay any employee premiums either entirely or in part. Local employers may file an *Employer Resolution to Pay Entire Premium* (ET-1301) form

with ETF to pay the entire premium for all employees as provided under Wis.Stats. § 40.05 (6) (e).

1. **Basic Plan**
   State employers pay an additional 65.25 percent of the employee Basic premium.

   Local government employers pay an additional 20 percent of the employee Basic premium. This provides post-retirement coverage at the 25 percent-of-Basic level.

   Local government employers have the option to provide post-retirement coverage at the 50 percent-of-Basic level, which requires local government employers to pay 40 percent of the employee Basic premium. An *Employer Resolution to Pay Entire Premium* (ET-1303) form must be filed with ETF.

   Local government employers have the option to pay 100% of an employee's premium. An *Employer Resolution to Pay Entire Premium* (ET-1301) form must be filed with ETF.

2. **Supplemental Plan**
   State employers pay an additional 37.25 percent of the employee Supplemental rate.

   No employer contribution is required of local government employers.

   Local government employers have the option pay 100% of an employee's premium. An *Employer Resolution to Pay Entire Premium* (ET-1301) form must be filed with ETF.

3. **Additional and Spouse and Dependent Plans**
   No employer contribution is required. Employees pay the full cost of coverage.

   Local government employers have the option pay 100% of an employee's premium. An *Employer Resolution to Pay Entire Premium* (ET-1301) form must be filed with ETF.

Wisconsin Public Employers Group Life Insurance Plan Monthly Employee Premium Rates Per $1,000 of Insurance

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

	State Employee		Local Government Employee
	Basic and Supplemental	Additional	Basic, Supplemental and Additional
Age	**April 1, 2023 - March 31, 2024**		**July 1, 2023 - June 30, 2024**
Under 30	$.05	$.08	$.05
30-34	$.05	$.08	$.06
35-39	$.05	$.08	$.07
40-44	$.08	$.11	$.08
45-49	$.13	$.19	$.12
50-54	$.20	$.31	$.22
55-59	$.28	$.42	$.39
60-64	$.38	$.57	$.49
65-69*	$.50	$.73	$.57
70 and older	**	**	**

State employees: Each Unit of Spouse and Dependent Insurance is $2.26 per month.
Local government employees: Each Unit of Spouse and Dependent Insurance is $1.60 per month.

*Premiums for age 65-69 are required as long as employment continues.
**Active employees aged 70 and older should review the back of this sheet for additional information.

Monthly Rates for Additional Coverage For Employees Age 70 and Older

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

**When an active employee reaches age 70:

- Basic coverage continues at a reduced level without further premiums.
- Supplemental coverage ceases.
- Additional coverage will continue until the employee cancels coverage, stops paying premiums or terminates employment.
- Additional coverage rates for employees age 70 and older are listed below.

Attained Age	Rate
70	$1.00
71	$1.15
72	$1.25
73	$1.45
74	$1.60
75	$1.80
76	$1.95
77 and older	$2.06

Premium Remittance Statement

securian FINANCIAL®

Securian Life Insurance Company • Minnesota Life Insurance Company
Madison Branch Office • PO Box 259708, Madison, WI 53725-9708 • 866-295-8690

LISA AIDE
CITY OF STOUGHTON
207 S FORREST STREET
STOUGHTON, WI 53589

Wisconsin Public Employers Group Life Plan
Underwritten by Minnesota Life

Policy Number:
002832L

Employer Name	Unit Number	ETF Code	Billing Month
CITY OF STOUGHTON	003702	1022	August 2023

Coverage Type	Billed Amount	Adjustments	Amount Due
Basic	1,473.60		1473.60
Employer Contribution 20% **	294.72	**	** 294.72
Supplemental	0.00		–
Additional	1,298.13		1298.13
Spouse/Dependent	120.00		120.00
Total	**3,186.45**		3186.45

** Your municipality pays an additional 20% of basic premiums to provide retirees with 25% reduction feature. Please pay the billed amount as indicated on the statement. If you are making any adjustments and changing the amount of basic premium billed then you must calculate the employer contribution based on the new basic premium amount being submitted.**

Send a check along with the Premium Remittance Statement and your Monthly Adjustments Form. Remit premium to:

Securian Financial Group, Inc.
PO Box 259708
Madison, WI 53725-9708

NOTE: Payment must be received by July 24, 2023 or a late penalty will be assessed.

Securian Financial is the marketing name for Securian Life Insurance Company and Minnesota Life Insurance Company. Insurance products are issued by Minnesota Life Insurance Company or Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.