



## **Early Retirement Incentive Cost Factors to Change July 1, 2004**

Effective July 1, 2004, early retirement incentive (ERI) cost factors used to calculate employer cost of ERI credit will change. The new cost factors will be effective for teachers retiring on or after July 1, 2004. A copy of the revised tables is attached.

Under Ohio law, employers adopting early retirement incentive plans must pay the full retirement liability resulting from the purchase of credit. The changes to the factors reflect an increase in the assumed rate of investment return adopted by the State Teachers Retirement Board.

Contact an employer advisor toll-free at 1-888-535-4050 with questions.

**TABLE 1**  
**Percentage of Salary to Purchase**  
**ONE Year of Additional Service**  
 (Effective July 1, 2004)

Service Prior to Purchase	Age at Purchase																					
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70 & over	
5											23%	23%	23%	23%	25%	24%	23%	23%	22%	22%	22%	22%
6											23	23	23	23	25	24	23	23	22	22	22	22
7											23	23	23	23	25	24	23	23	22	22	22	22
8											23	23	23	23	25	24	23	23	22	22	22	22
9											23	23	23	23	25	24	23	23	22	22	22	22
10											23	23	23	23	25	24	23	23	22	22	22	22
11											23	23	23	23	25	24	23	23	22	22	22	22
12											23	23	23	23	25	24	23	23	22	22	22	22
13											23	23	23	23	25	24	23	23	22	22	22	22
14											23	23	23	23	25	24	23	23	22	22	22	22
15											23	23	23	23	25	24	23	23	22	22	22	22
16											23	23	23	23	25	24	23	23	22	22	22	22
17											23	23	23	23	25	24	23	23	22	22	22	22
18											23	23	23	23	25	24	23	23	22	22	22	22
19											23	23	23	23	25	24	23	23	22	22	22	22
20											23	23	23	23	25	24	23	23	22	22	22	22
21											23	23	23	23	25	24	23	23	22	22	22	22
22											23	23	23	23	25	24	23	23	22	22	22	22
23											23	23	23	23	25	24	23	23	22	22	22	22
24											23	23	23	23	25	24	23	23	22	22	22	22
25											23	23	23	23	25	24	23	23	22	22	22	22
26											23	23	23	23	25	24	23	23	22	22	22	22
27											23	23	23	23	25	24	23	23	22	22	22	22
28											23	23	23	23	25	24	23	23	22	22	22	22
29	101%	100%	100%	99%	99%	68	68	67	65	64	63	62	60	58	47	24	23	23	22	22	22	22
30 or more	32	32	32	31	31	30	30	29	29	28	28	27	27	26	26	25	24	23	22	22	22	22

**TABLE 2**  
**Percentage of Salary to Purchase**  
**TWO Years of Additional Service**  
 (Effective July 1, 2004)

Service Prior to Purchase	Age at Purchase																				
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70 & over
10											46%	47%	47%	47%	48%	48%	46%	46%	45%	43%	41%
11											46	47	47	47	48	48	46	46	45	43	41
12											46	47	47	47	48	48	46	46	45	43	41
13											46	47	47	47	48	48	46	46	45	43	41
14											46	47	47	47	48	48	46	46	45	43	41
15											46	47	47	47	48	48	46	46	45	43	41
16											46	47	47	47	48	48	46	46	45	43	41
17											46	47	47	47	48	48	46	46	45	43	41
18											46	47	47	47	48	48	46	46	45	43	41
19											46	47	47	47	48	48	46	46	45	43	41
20											46	47	47	47	48	48	46	46	45	43	41
21											46	47	47	47	48	48	46	46	45	43	41
22											46	47	47	47	48	48	46	46	45	43	41
23						132%					46	47	47	47	48	48	46	46	45	43	41
24						131					46	47	47	47	48	48	46	46	45	43	41
25						121					46	47	47	47	48	48	46	46	45	43	41
26						125					79	61	48	48	48	48	46	46	45	43	41
27						131					123	97	73	51	48	48	46	46	45	43	41
28	195%	185%	183%	173%	167%	135					123	118	98	92	65	48	46	46	45	43	41
29	129	128	127	127	126	99					91	89	89	82	66	48	46	46	45	43	41
30 or more	63	62	62	61	60	59	58	58	57	56	55	54	53	52	51	50	49	47	46	45	44

**TABLE 3**  
**Percentage of Salary to Purchase**  
**THREE Years of Additional Service**  
 (Effective July 1, 2004)

Service Prior to Purchase	Age at Purchase																				
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70 & over
15											68%	68%	70%	70%	72%	71%	70%	68%	67%	65%	65%
16											68	68	70	70	72	71	70	68	67	65	65
17											68	68	70	70	72	71	70	68	67	65	65
18											68	68	70	70	72	71	70	68	67	65	65
19											68	68	70	70	72	71	70	68	67	65	65
20											68	68	70	70	72	71	70	68	67	65	65
21											68	68	70	70	72	71	70	68	67	65	65
22						182%	172%	162%	117%	80%	68	68	70	70	72	71	70	68	67	65	65
23						184	174	165	137	104	68	68	70	70	72	71	70	68	67	65	65
24						186	183	179	143	134	68	68	70	70	72	71	70	68	67	65	65
25						178	173	170	176	136	103	81	70	70	72	71	70	68	67	65	65
26						194	192	189	186	182	135	123	99	78	72	71	70	68	67	65	65
27	260%	258%	257%	251%	229%	203	201	196	192	190	177	153	141	116	92	71	70	68	67	65	65
28	215	214	213	211	205	166	164	163	160	157	154	150	143	117	92	71	70	68	67	65	65
29	166	165	163	162	161	128	126	124	121	121	118	116	114	108	94	71	70	68	67	65	65
30 or more	94	93	92	91	90	89	88	86	85	84	82	81	79	78	76	74	73	71	69	68	66

**TABLE 4**  
**Percentage of Salary to Purchase**  
**FOUR Years of Additional Service**  
 (Effective July 1, 2004)

Service Prior to Purchase	Age at Purchase																				
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70 & over
20											91%	93%	94%	95%	96%	96%	93%	91%	89%	86%	83%
21						223%	183%	141%	118%	111%	91	93	94	95	96	96	93	91	89	86	83
22						246	223	182	137	113	91	93	94	95	96	96	93	91	89	86	83
23						248	235	204	186	148	91	93	94	95	96	96	93	91	89	86	83
24						257	253	250	213	177	129	106	94	95	96	96	93	91	89	86	83
25						253	249	246	223	187	156	134	124	124	96	96	93	91	89	86	83
26	364%	363%	326%	292%	289%	265	261	257	254	231	200	176	153	130	118	96	93	91	89	86	83
27	296	294	292	285	255	232	229	224	219	217	203	179	154	143	119	96	93	91	89	86	83
28	252	251	249	247	218	195	193	191	187	187	181	177	156	145	119	96	93	91	89	86	83
29	186	182	181	179	178	156	154	152	149	147	145	142	140	133	111	96	93	91	89	86	83
30 or more	126	125	123	122	120	119	117	115	113	112	110	108	106	104	102	99	97	95	93	90	88

**TABLE 5**  
**Percentage of Salary to Purchase**  
**FIVE Years of Additional Service**  
 (Effective July 1, 2004)

Service Prior to Purchase	Age at Purchase																				
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70 & over
25	404%	397%	356%	353%	351%	324%	319%	315%	291%	254%	221%	198%	175%	154%	133%	119%	117%	114%	111%	108%	101%
26	370	368	362	324	320	293	289	285	281	276	227	202	178	154	133	119	117	114	111	108	101
27	333	331	329	314	286	261	258	252	247	244	229	205	179	154	133	119	117	114	111	108	101
28	288	286	284	282	249	224	221	219	215	211	207	203	182	156	133	119	117	114	111	108	101
29	217	215	213	212	209	185	183	180	176	174	171	168	165	158	135	119	117	114	111	108	101
30 or more	157	156	154	152	150	148	146	144	142	140	137	135	132	130	127	124	121	119	116	113	110