

Presenter

# WRS Benefits

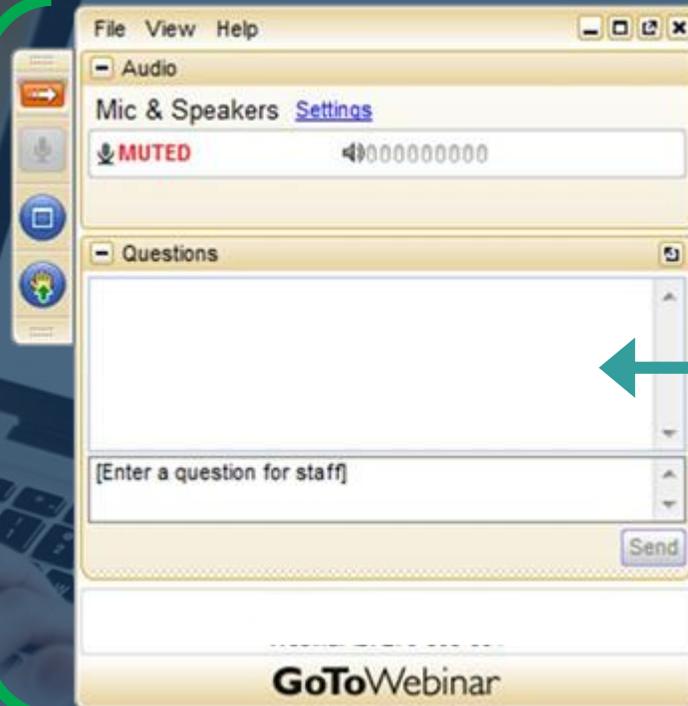
## Did you know?



The Department of Employee Trust Funds has made every effort to ensure that this webinar is current and accurate. However, changes in the law or processes since the last revision to this webinar may mean that some details are not current. Please contact ETF if you have any questions about a particular topic in this webinar.

# How to Participate:

Click to maximize dashboard



Ask questions here.

Questions are answered at the end of the presentation.

You will be muted for the entire webinar.

# Today We'll Talk About:

- The Wisconsin Retirement System
- Beneficiaries
- Life events
- Retirement readiness



# Wisconsin Retirement System

State of Wisconsin Investment Board  
(SWIB)

[swib.state.wi.us](http://swib.state.wi.us)

Manages and Invests WRS Assets

Department of Employee Trust Funds  
(ETF)

[etf.wi.gov](http://etf.wi.gov)

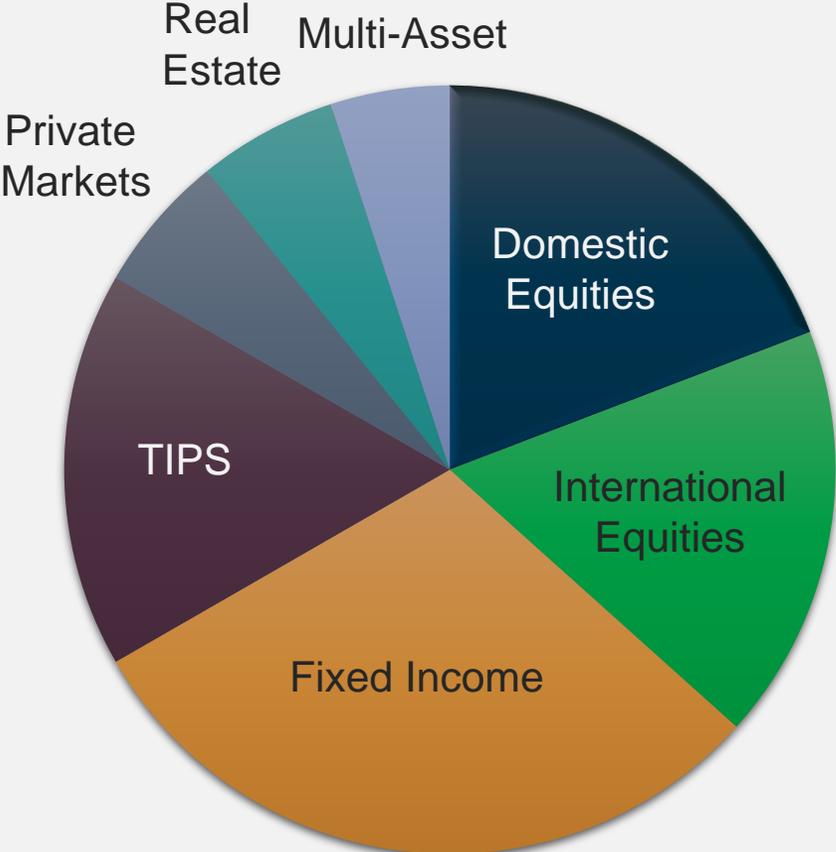
Administers Benefits For WRS  
Members

# SWIB

By law, The State of Wisconsin Investment Board (SWIB) is required to make investment decisions solely for the benefit of WRS members

- Core Fund
- Diversified investments
- Five-year smoothing
- Variable Fund
- All stocks
- Higher risk/reward
- No smoothing

# SWIB Asset Targets



**Core Fund**

2019 SWIB Return: 19.9%  
(Effective Interest Rate: 7.7%)



**Variable Fund**

2019 SWIB Return: 28.6%  
(Effective Interest Rate: 29.0%)

# For more information visit: [www.swib.state.wi.us](http://www.swib.state.wi.us)



Q SEARCH

ABOUT US

INVESTMENTS

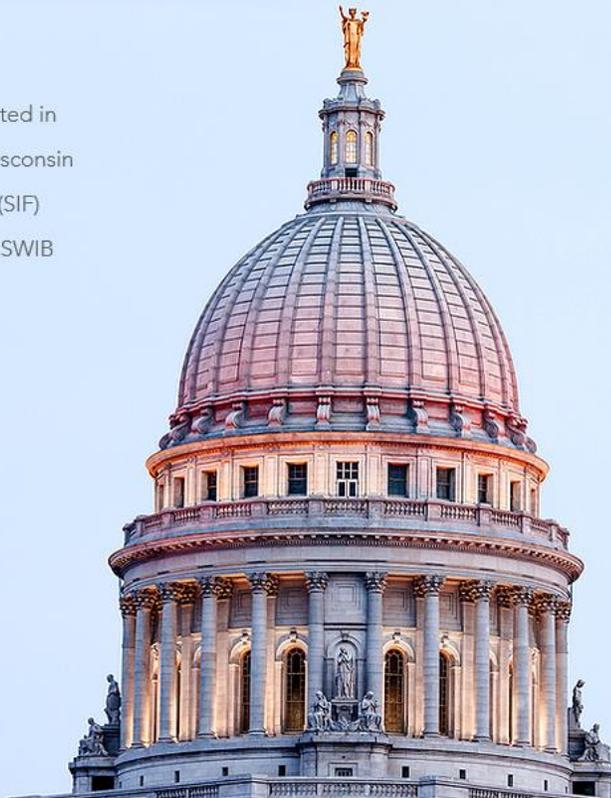
WISCONSIN RETIREMENT SYSTEM

NEWSROOM

STRATEGIC DIRECTION

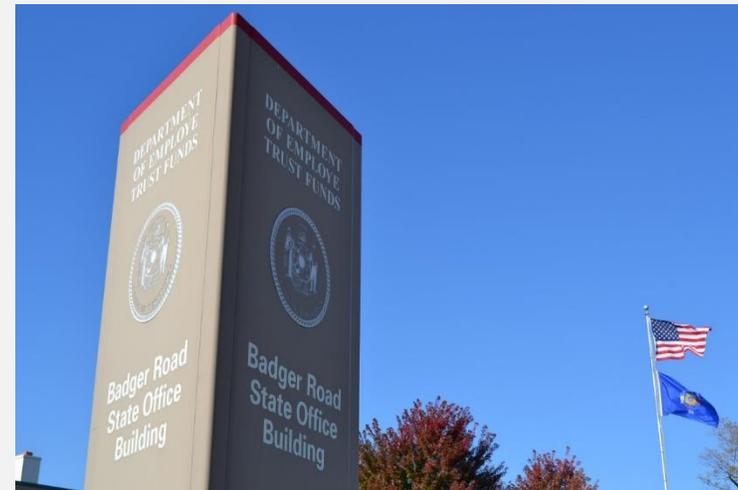
The State of Wisconsin Investment Board (SWIB), created in 1951, is responsible for managing the assets of the Wisconsin Retirement System (WRS), the State Investment Fund (SIF) and other state trust funds. As of December 31, 2017, SWIB managed over \$117 billion in assets.

[LEARN MORE ABOUT US](#)



# Department of Employee Trust Funds (ETF)

- ETF administers 11 benefit programs including *Retirement*, *Health and Life Insurance*, and *Disability* benefits
- Statistics – as of January 1, 2020
  - WRS Assets \$116 - billion
  - WRS Annuity Payroll \$5.6 - billion
  - Employers About 1,500
  - Members About 642,000



# WRS Participation Requirements

Required hours to earn 1.0 years of service credit.

Teachers – 1320    All others - 1904

WRS Participation Requirements	
Initially employed on or after 7/1/2011	
Must be expected to work	
<ul style="list-style-type: none"><li>• At least 2/3 of full time</li><li>• For at least one year</li></ul>	
880 hours	Teachers and non-teaching employees of school districts
1200 hours	All others

# WRS Contribution Rates- 2020

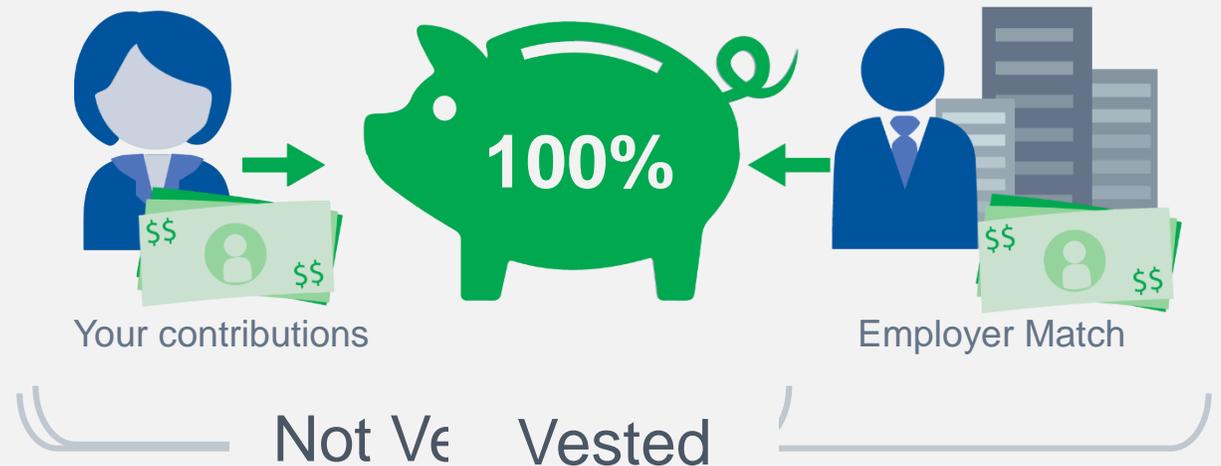
<b>Pre-tax Contribution Rates</b> Subject to change annually		
Employment Category	Employee	Matching Employer
General, Teacher, and Educational Support; Executive, Elected and Judges	6.75%	6.75%
Protectives w/Social Security	6.75%	11.65%
Protectives w/o Social Security	6.75%	16.25%

# Vested in the WRS

You receive your employer's matching contributions at retirement

You are vested if:

- You enrolled in the WRS before July 1, 2011 **or**
- You accrue 5 years of creditable service



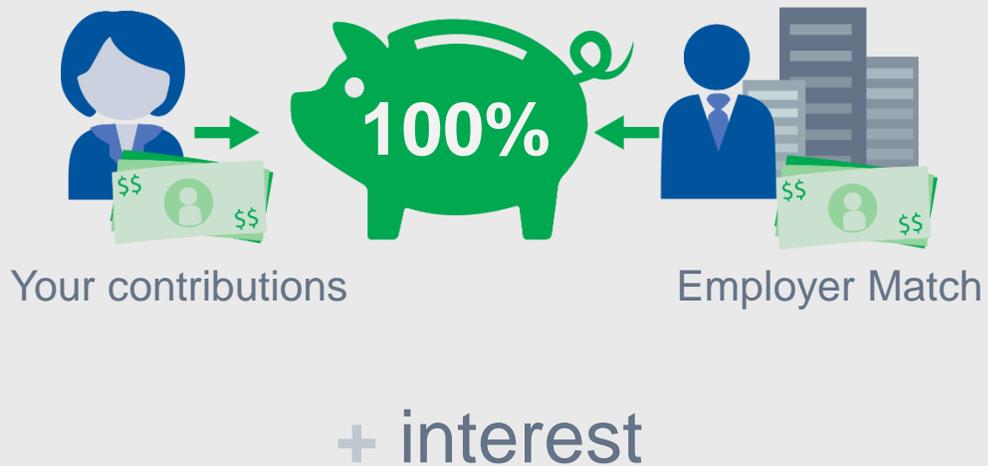
# Separation Benefit

- Eligibility
- Terminate all WRS employment prior to minimum retirement age (50/55) or becoming vested
- Benefit includes
  - Employee required contributions/interest
  - Additional contributions/interest
- *Benefits forfeited*
  - Creditable service *and* employer contributions/interest is forfeited and account is closed
- Taxed as ordinary income
  - Early distribution tax penalties may apply

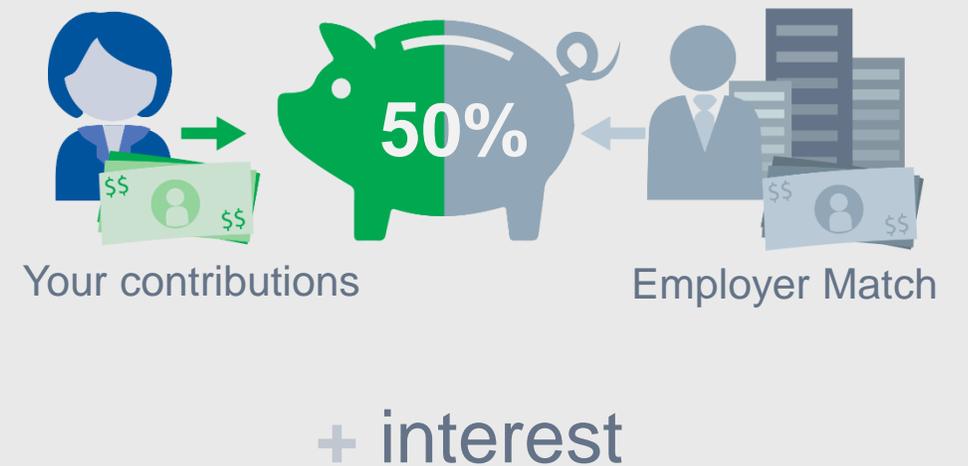


# Survivor Benefits

## Active Employees



## Inactive Employees

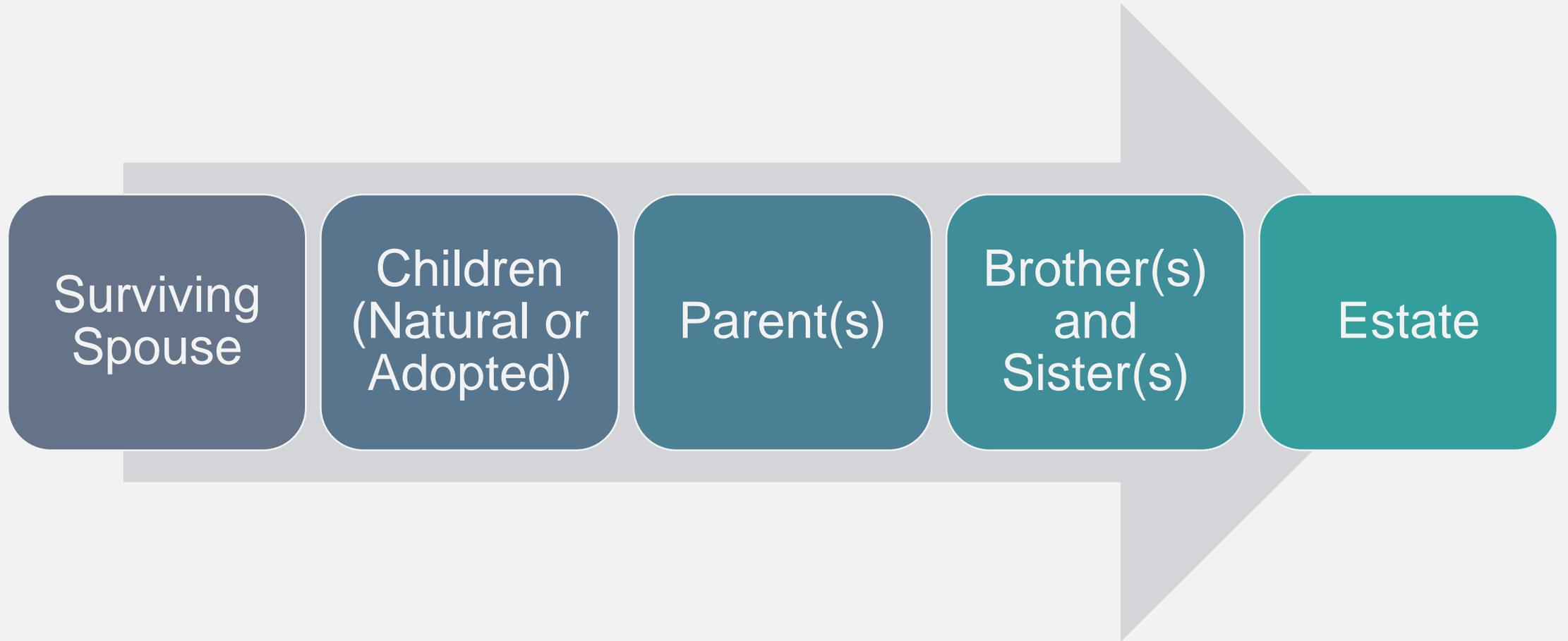


# Beneficiaries

- Paid according to most recent beneficiary designation on file with ETF
- Not paid according to your will
- If no beneficiary designation form on file, statutory *Standard Sequence* applies



# Standard Sequence



Any benefits payable by the Wisconsin Retirement System and Life Insurance program at my death shall be paid in EQUAL SHARES, unless otherwise specified, to the following primary beneficiary(ies) who survive me.

PRIMARY

Name (First, Middle I., Last)	Relationship	Birth date (MMDDYY)	SSN	Address (street, city, state, ZIP code)
Person A	If someone dies... Remaining beneficiaries split the entire benefit	/	- -	
Person B		/	- -	
Person C		/	- -	
		/ /	- -	
		/ /	- -	
		/ /	- -	
		/ /	- -	
		/ /	- -	

# Beneficiary Designation (Form ET-2320)

SECONDARY

		/ /	- -	
		/ /	- -	
		/ /	- -	
		/ /	- -	
		/ /	- -	

TERTIARY

In the event all primary and secondary beneficiaries die before me, the death benefit shall be paid in equal shares, unless otherwise specified, to the following tertiary beneficiaries who survive me.

Name (First, Middle I., Last)	Relationship	Birth date (MMDDYY)	SSN	Address (street, city, state, ZIP code)
		/ /	- -	
		/ /	- -	
		/ /	- -	
		/ /	- -	

If you want this designation to apply only to specific benefit plan(s) or account(s), use this space to specify the benefit plan(s) or account(s) to which you want this designation to apply. See "Effective for all benefit plans and accounts" section on the reverse side before completing this section.

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

SIGN  DATE

Note: The date the form is signed is not the date it becomes effective. A Beneficiary Designation form does not become effective until received and approved by the Department of Employee Trust Funds. The person filing the designation must still be alive when ETF receives the form. An acknowledgment will be sent when this designation has been reviewed and accepted. Invalid designations will be rejected and returned to you.



Any benefits payable by the Wisconsin Retirement System and Life Insurance program at my death shall be paid in EQUAL SHARES, unless otherwise specified, to the following primary beneficiary(ies) who survive me.

<b>PRIMARY</b>	Name <i>Last, First, Middle</i>	Relationship	Birthdate (MMDDCCYY)	Soc. Sec. No.	Address <i>Street, City, State, Zip</i>
	Child A	If Child A passes away before you			
	Child B				

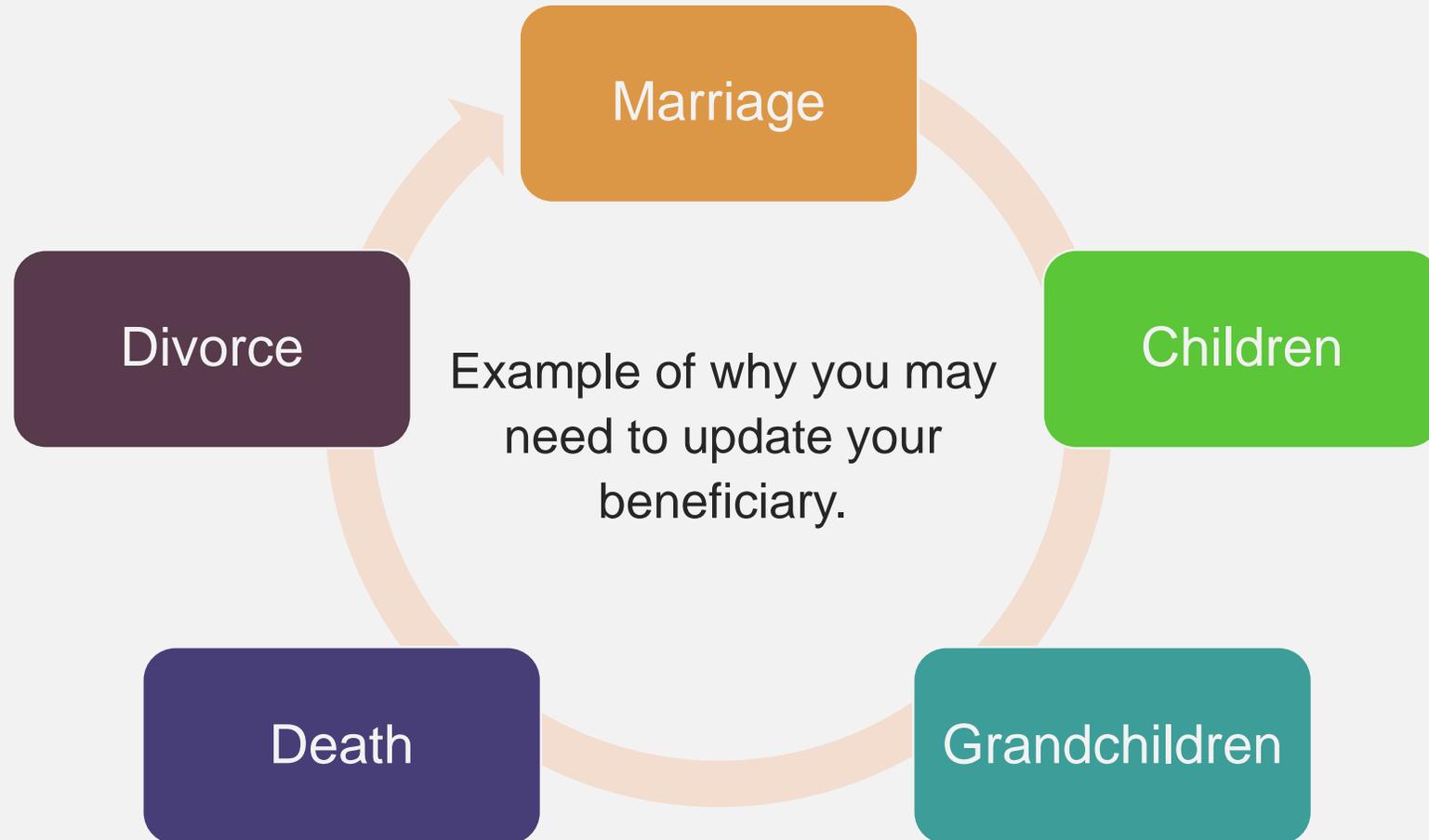
If the aforesaid Child A (name) dies before me, the benefit which would have been payable to them shall be paid in equal shares to those listed below.

Name <i>Last, First, Middle</i>	Relationship	Birthdate (MMDDCCYY)	Soc. Sec. No.	Address <i>Street, City, State, Zip</i>
Grandchild A	} Will split Child A's share			
Grandchild B				
Grandchild C				

If the aforesaid \_\_\_\_\_ (name) dies before me, the benefit which would have been payable to them shall be paid in equal shares to those listed below.

<b>PRIMARY</b>	Name <i>Last, First, Middle</i>	Relationship	Birthdate (MMDDCCYY)	Soc. Sec. No.	Address <i>Street, City, State, Zip</i>

# Update your beneficiaries!



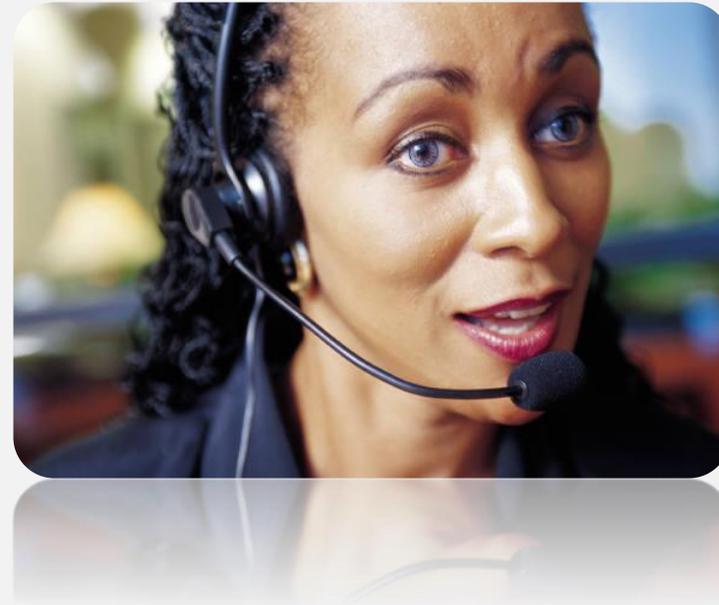
# Divorce and WRS Benefits

- Qualified Domestic Relations Order (QDRO) received by ETF
- Can award up to 50% to an alternate payee
- Can be ex-spouse or ex-domestic partner
- Alternate payees can also get separation or retirement benefits
- Remember to update beneficiary designation

# ETF Disability Benefits

- WRS Regular Disability
- Duty Disability

**Please Contact ETF**



# ETF Annual Statement of Benefits (Form ET-7365)

Distributed each Spring to active employees and those with inactive accounts

UNIVERSITY OF WISCONSIN SYSTEM  
STE 201  
860 W WASHINGTON AVE  
MADISON WI 53703-4703



Department of Employee Trust Funds (ETF)  
Wisconsin Retirement System (WRS)

IRS Codes: 401(a) and 403(b)

Toll Free 1-877-533-5000  
or (608) 266-3285 local Madison

## January 1, 2016 Annual Statement of Benefits

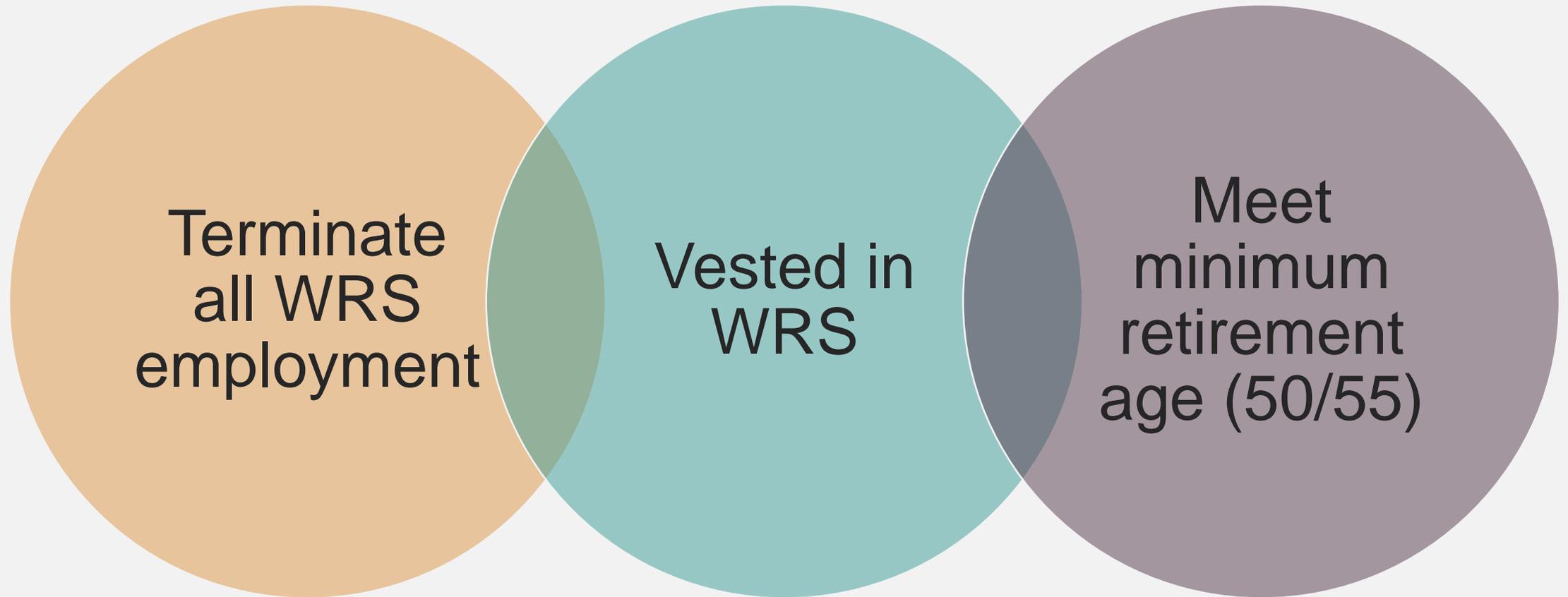
Please review this document carefully. The amounts shown reflect ETF records as of January 1, 2016 and may be subject to corrections and appeals concerning WRS accounts, service history, earnings, contributions and other records.

Keep this document and the enclosed explanation with your important personal records.

<b>Member ID:</b>					
If you plan to retire within the next 12 months, you must contact ETF for a retirement packet that includes an official estimate/application.					
<b>Section 1 - 2015 Earnings and Service</b>					
The earnings and service below were reported by your WRS employer for calendar year 2015. Earnings and service for teachers, judges and educational support personnel are also shown for the first half of the current fiscal year.					
<b>Category</b>	<b>Year</b>	<b>Earnings</b>	<b>Years of Service</b>		
General	2015	\$35,316.54	1.00		
<b>Section 2 - Years of Creditable Service as of January 1, 2016</b>					
<b>Category</b>	<b>Before 2000</b>	<b>After 1999</b>	<b>After Act 10</b>	<b>Total Service</b>	
General	.00	6.76	.00	6.76	
Teacher	.00	6.94	.00	6.94	
<b>Total Years of Creditable Service</b>		.00	13.70	.00	13.70
<b>Section 3 - 2015 Employee Required Contributions</b>					
	<b>Core</b>	<b>Variable</b>	<b>Total</b>		
January 1, 2015 Balance	\$26,448.03	\$9,042.70	\$35,490.73		
Interest (Core: 6.4%, Variable: .0%)	\$1,692.67	\$ .00	\$1,692.67		
Employee Paid Contributions	\$1,200.72	\$1,200.72	\$2,401.44		
Employer Paid Employee Contributions	\$ .04*	\$ .04*	\$ .08*		
Adjustment	\$ .00	\$ .00	\$ .00		
<b>January 1, 2016 Balance</b>	<b>\$29,341.46</b>	<b>\$10,243.46</b>	<b>\$39,584.92</b>		
* Small amounts shown in Employer Paid Employee Contributions occur due to rounding in calculations used to produce this statement or from your employer's payroll system.					
<b>Non-taxable portion of employee contributions (investment in contract):</b>			<b>\$ .00</b>		
Continued on Back					



# Requirements – Must Have All 3



# Payment Options



Annuitant's life only  
**\$1,505/month**

The illustration shows a woman with short blue hair and a grey face, wearing a blue suit. She is holding a stack of green banknotes. The top banknote features a white circle with a grey person icon and two green dollar signs (\$\$) on either side.

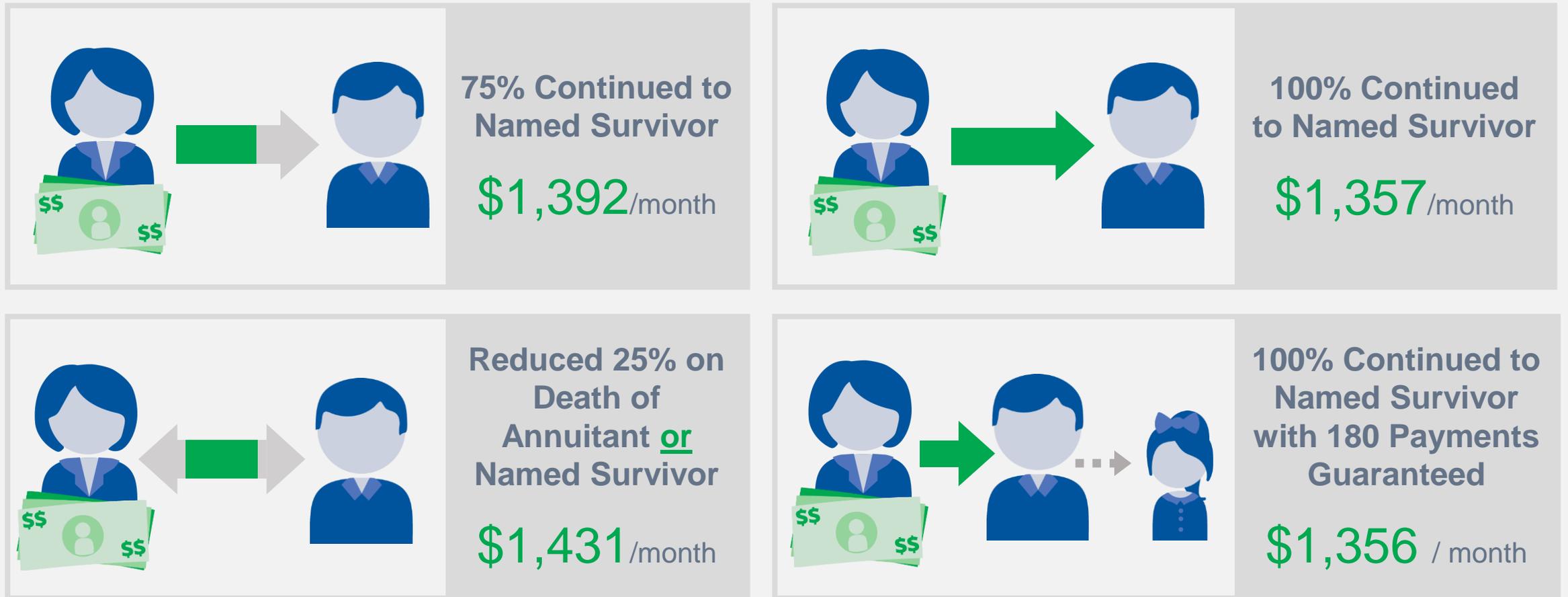


Life with...  
60 payments guaranteed:  
**\$1,500/month**

180 payments guaranteed:  
**\$1,465/month**

The illustration shows the same woman from the first block, holding a stack of green banknotes. A dashed grey arrow points from the stack to a man with short blue hair and a grey face, wearing a blue suit. A black padlock is positioned over the bottom of the stack of banknotes.

# Payment Options



# Retirement Readiness

- WRS retirement benefit
- Social Security
- WRS employer tax-deferred accounts
- IRAs, other tax-deferred savings
- Post-retirement work
- And...



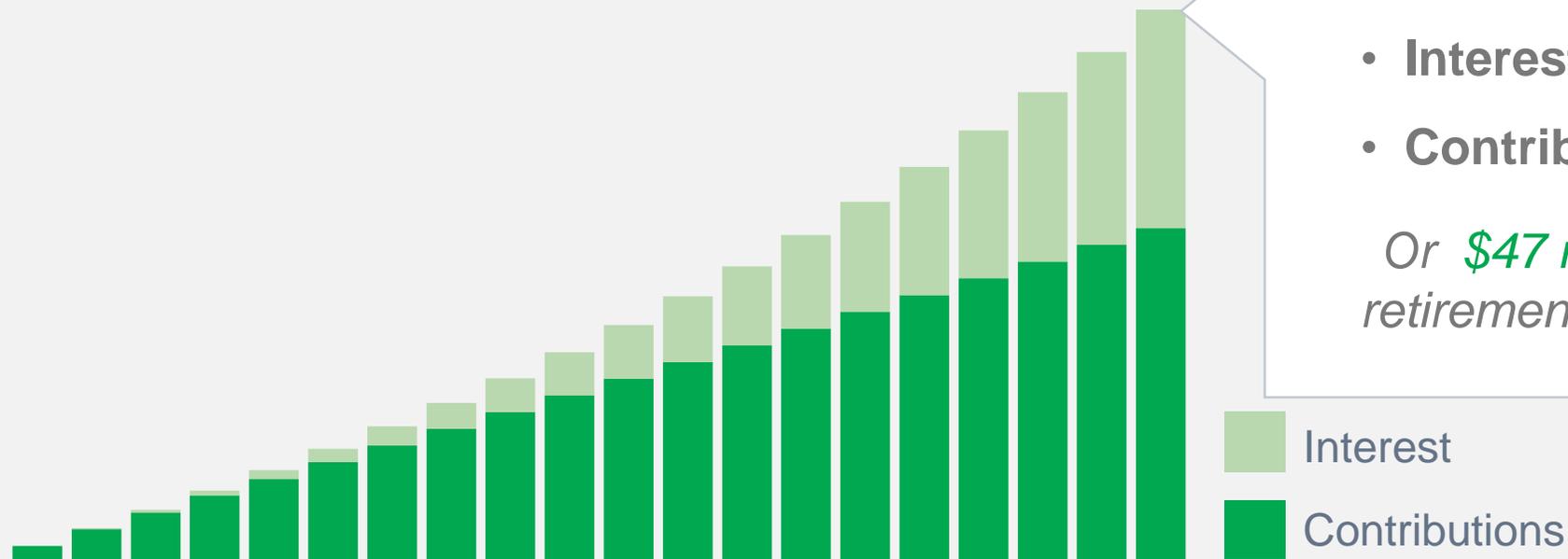
# Additional Contributions

- Voluntary, after-tax, additional contributions to supplement retirement benefits
- Can be used for creditable service purchases (Forfeited/Qualifying)
- Payroll deduction or direct contributions
- Deposited Core or Core/Variable
- Maximum contribution changes each year. Current is \$57,000 (2020)

# Additional Contributions Example

You contribute **\$10 every two weeks**  
Or **\$260 per year**

Assuming a 5% return each year



After 20 Years: **\$8,597.15**

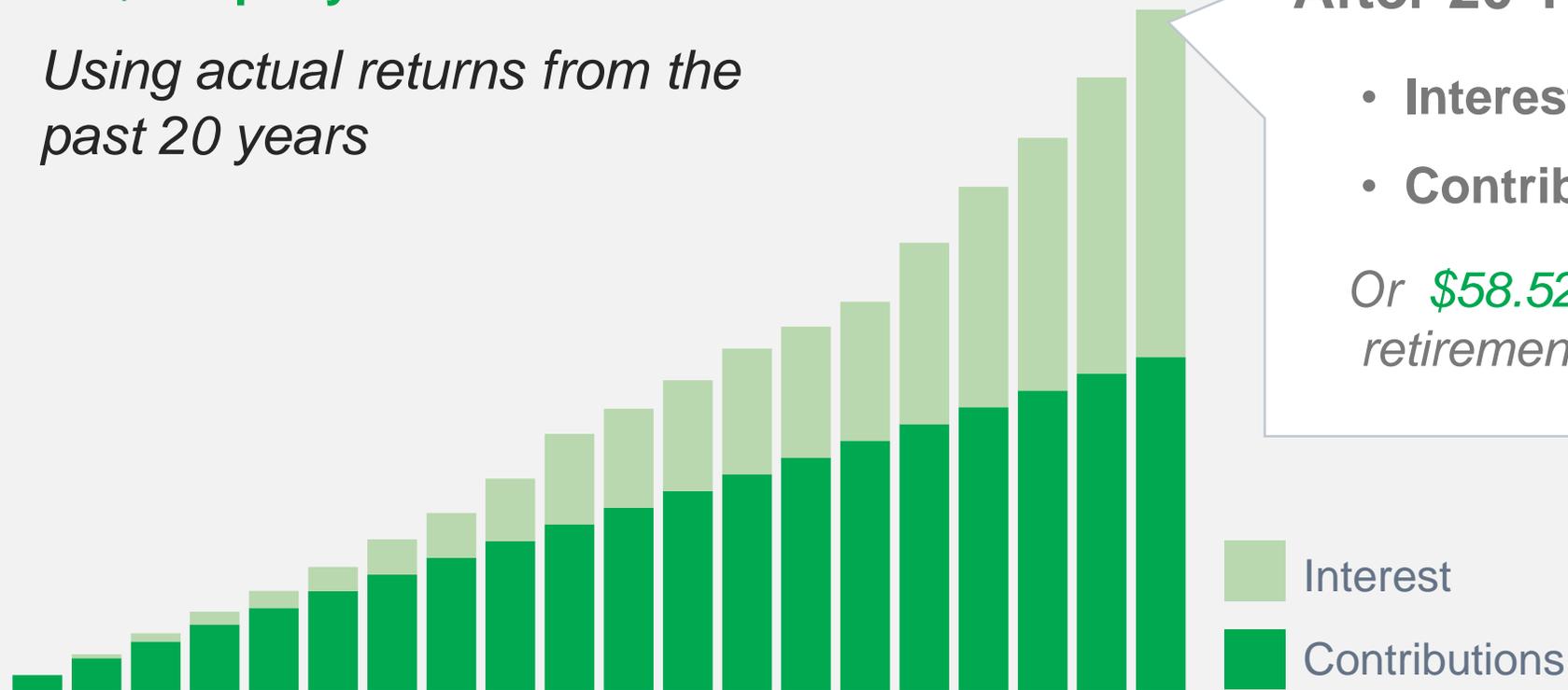
- Interest: \$3,397.15 (taxable)
- Contributions: \$5,200

Or **\$47 more per month** in retirement if you retire at 55.

# Additional Contributions Example

**You contribute \$10 every two weeks**  
Or \$260 per year

*Using actual returns from the  
past 20 years*



**After 20 Years: \$10,601.45**

- **Interest:** \$5,401.45 (taxable)
- **Contributions:** \$5,200

Or **\$58.52 more per month** in  
retirement if you retire at 55.

# Purchasing Creditable Service

- *Forfeited Service*: Purchase of service time worked previously at a WRS employer – a separation benefit was taken and account was closed
- *Other Government Service* : Purchase of service time worked previously at a non-WRS government employer at the federal (including military), state or local level

Service purchase must be made prior to termination.

(Please contact ETF for more information on buying creditable service)

# Military Service Purchase

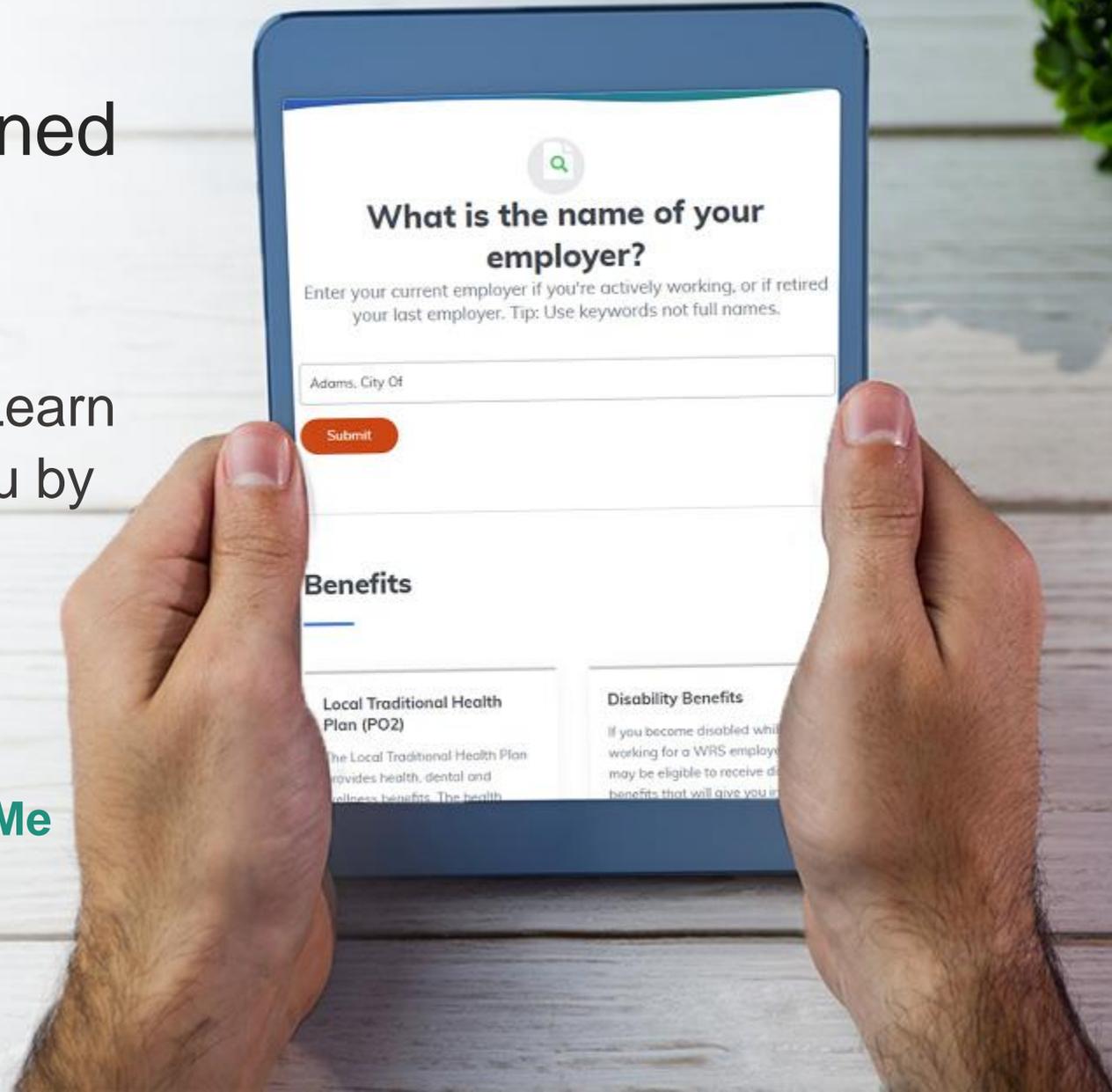
- Military as Other Government Service
- Active Duty After January 1, 1974
- Must complete three continuous earnings periods
- Must be purchased before WRS termination date
- Requirements and costs will vary
- Contact ETF for more information



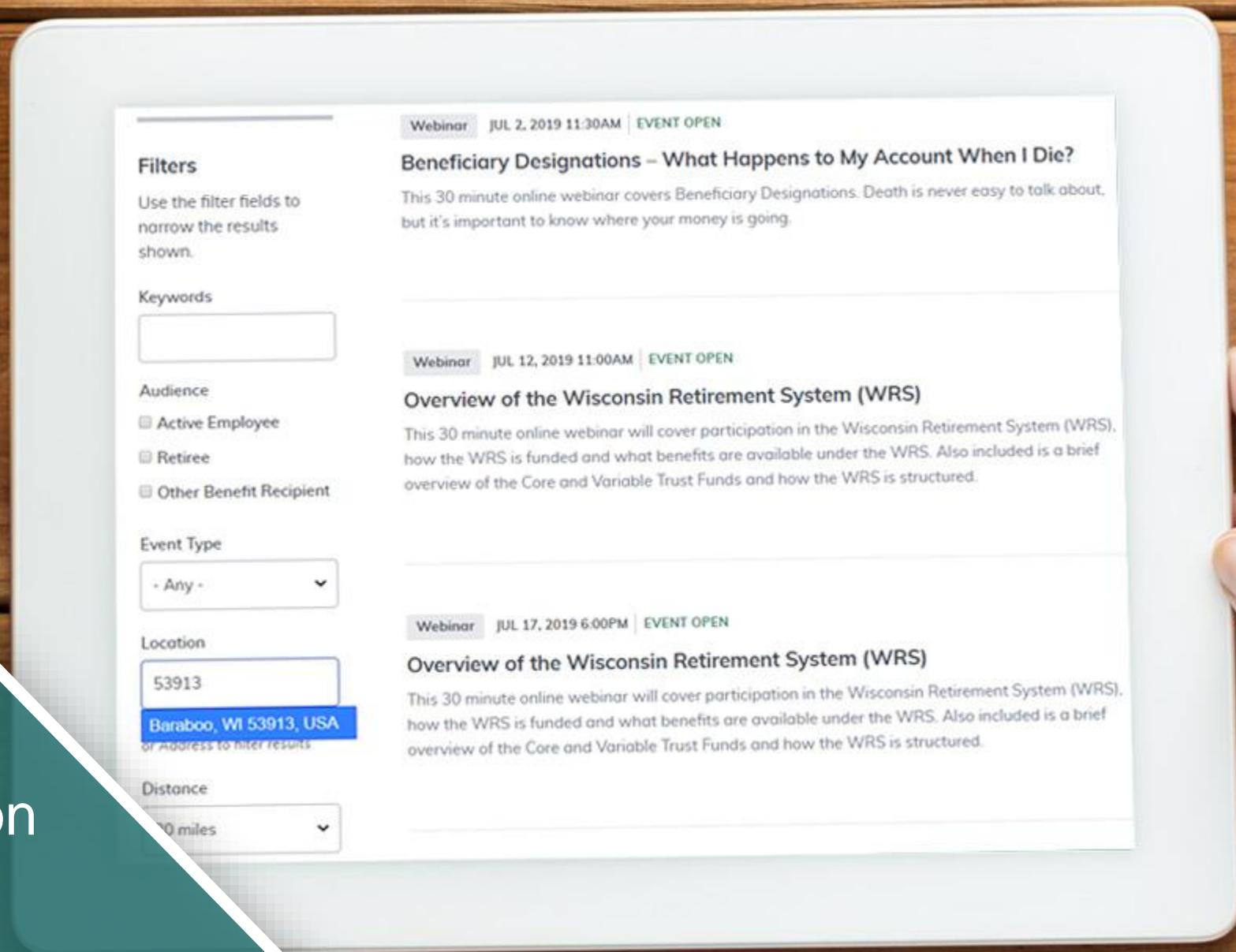
Check out our redesigned website: [etf.wi.gov](https://etf.wi.gov)

Customize your experience. Learn about benefits available to you by entering your employer.

To get started, click [Benefits](#) → [Benefits Available to Me](#)



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Webinar JUL 2, 2019 11:30AM | EVENT OPEN

### Beneficiary Designations – What Happens to My Account When I Die?

This 30 minute online webinar covers Beneficiary Designations. Death is never easy to talk about, but it's important to know where your money is going.

Webinar JUL 12, 2019 11:00AM | EVENT OPEN

### Overview of the Wisconsin Retirement System (WRS)

This 30 minute online webinar will cover participation in the Wisconsin Retirement System (WRS), how the WRS is funded and what benefits are available under the WRS. Also included is a brief overview of the Core and Variable Trust Funds and how the WRS is structured.

Webinar JUL 17, 2019 6:00PM | EVENT OPEN

### Overview of the Wisconsin Retirement System (WRS)

This 30 minute online webinar will cover participation in the Wisconsin Retirement System (WRS), how the WRS is funded and what benefits are available under the WRS. Also included is a brief overview of the Core and Variable Trust Funds and how the WRS is structured.

A family of three—a woman with curly hair, a man, and a young girl—are walking together on a dirt path through a lush, green forest. The woman is on the left, the man is on the right, and the girl is in the center, slightly in front of them. They are all smiling and appear to be enjoying their walk. The background is filled with tall trees and dense foliage. The entire image has a dark blue overlay.

**Questions?**

# Stay Connected



etf\_wi



etf.wi.gov



ETF E-mail Updates



608-266-3285

1-877-533-5020



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