WRS Benefits: For New and Mid-Career Employees

A Wisconsin Retirement System topic
Objectives

By the end of this presentation, you will be able to:

• Appreciate the benefits of the Wisconsin Retirement System
• Designate a beneficiary or several beneficiaries
• Join or cancel the Variable Fund
• Use additional contributions to supplement your savings for retirement
WRS Funds and Benefits

Shared responsibilities
SWIB Responsibilities

- Core Trust Fund
- Variable Trust Fund
- Investment management decisions for the benefit of WRS members
- Investment Return
WRS Trust Funds & Benefits

WRS Benefits: For New and Mid-Career Employees
### ETF Responsibilities

<table>
<thead>
<tr>
<th>WRS Retirement Benefits</th>
<th>Income Continuation Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability Benefits</td>
<td>Employee Reimbursement Accounts Program</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>Supplemental Benefits</td>
</tr>
<tr>
<td>Dental Insurance</td>
<td>Accumulated Sick Leave</td>
</tr>
<tr>
<td>Life Insurance</td>
<td>Wisconsin Deferred Compensation Program</td>
</tr>
</tbody>
</table>
The WRS Retirement Benefit

How the WRS pension works
WRS Participation Requirements

Enrolled in WRS

- Work 2/3 of full time for 1 year
- Teachers: 880 hours
- Other members: 1,200 hours

Earn 1 Year of Service Credit

- Teachers: 1,320 hours
- Other members: 1,904 hours
Contributions to Your WRS Account

Salary

Contribution

Employee Contribution

WRS Retirement Benefit

Employer Contribution

Contributions to Your WRS Account

Salary

Contribution

Employee Contribution

WRS Retirement Benefit

Employer Contribution
Retirement Eligibility: Must Have All 3

- Vested in WRS
- Met minimum retirement age (50/55)
- Terminated ALL WRS employment
Vested

Started before July 1, 2011

Or

Started July 1, 2011 or After - 5 years Creditable service

Employee Contributions
+ interest earned

100%

Employer Contributions
+ interest earned
Not Vested: Separation Benefit Only

Employee contributions + interest earned

Lose employer contributions + interest earned + creditable service
WRS Statement of Benefits

- WRS retirement account summary
- Sent each year in mid-April
- Keep for your records
WRS Benefits

Available to all members
Separation Benefit

- **Terminate Early**
- **Separation Benefit**
- **Benefits & Service Lost**
- **Taxed**
Disability Benefits

Please contact ETF:

- 7:00 a.m. to 5:00 p.m. (CST), Monday-Friday
- Call 1-877-533-5020
- Wisconsin Relay: 711

Contact your employer:

- About potential short-term disability or additional disability
Death Benefits

Active Members

Your contributions

100%

Employer Match

+ interest

Other Members

Your contributions

50%

Employer Match

+ interest

WRS Benefits: For New and Mid-Career Employees
Beneficiaries

Designate a Beneficiary

WRS Benefits

Designation Form

No Form
Standard Sequence Applies

Surviving spouse or domestic partner

Children (biological or legally adopted) Includes grandchildren

Parent(s)

Brother(s) and sister(s) Includes nieces and nephews
Beneficiary Designations

Control where your money goes
**Beneficiary Designation (ET-2320)**

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.

<table>
<thead>
<tr>
<th>Name (First, Middle I., Last)</th>
<th>Relationship</th>
<th>Birth date (MM/DD/YYYY)</th>
<th>SSN</th>
<th>Address (street, city, state, ZIP code)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Person B</td>
<td></td>
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</tr>
<tr>
<td>Person C</td>
<td></td>
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</tbody>
</table>

Each one gets 1/3 of the death benefit. If someone dies, the remaining beneficiaries split the entire benefit.
Beneficiary Designation – Alternate (ET-2321)

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.

<table>
<thead>
<tr>
<th>Name</th>
<th>Last, First, Middle</th>
<th>Relationship</th>
<th>Birthdate (MM/DD/YYYY)</th>
<th>Soc. Sec. No.</th>
<th>Address</th>
<th>Street</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person A</td>
<td></td>
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<td>Person B</td>
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<tr>
<td>Person C</td>
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</tbody>
</table>

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

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<tr>
<th>Name</th>
<th>Last, First, Middle</th>
<th>Relationship</th>
<th>Birthdate (MM/DD/YYYY)</th>
<th>Soc. Sec. No.</th>
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<th>Street</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person A’s beneficiary 1</td>
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</tr>
<tr>
<td>Person A’s beneficiary 2</td>
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<td></td>
</tr>
<tr>
<td>Person A’s beneficiary 3</td>
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If person A passes away before you, beneficiaries will split Person A’s share.

Call 1-877-533-5020
Update Your Beneficiaries!

Marriage

Divorce

Examples of why you may need to update your beneficiary

Children

Death

Grandchildren
Variable Fund

An option for your WRS pension
Core and Variable Funds

Core Fund

- Automatic enrollment for all employees
- Diversified portfolio
  - 5-year smoothing
  - Guaranteed minimum annuity payment

Core + Variable Fund

- Optional 50% of contribution
- All-stock portfolio
  - No smoothing
  - No guaranteed minimum annuity payment
Variable Fund Enrollment

- Election to Participate in the Variable Trust Fund (ET-2356)
- Starts the January 1 after the election is filed
- Includes additional contributions
Variable Fund Cancellation

Canceling Variable Participation (ET-2313)

Out of Variable Trust Fund

January 1
Additional Contributions

An easy way to supplement your savings for retirement
Other Income for Retirement

• Savings
• IRA(s) or other tax-deferred accounts
  • Wisconsin Deferred Compensation Program
• Post-retirement employment
• Additional Contributions!

Retirement Income

Social Security

WRS Retirement Benefit

Other Income
Invested in the WRS Trust Funds

50% will go in the Variable Fund, if you participate

Interest Earned

Yearly based on investment performance
5% Rate vs. WRS Effective Rate
Make Additional Contributions

Online e-Payment

Additional Contributions e-Payment

Links to e-Payment on My Info and Additional Contributions pages

Direct Payment

Check or money order sent to ETF + Additional Contributions Remittance (ET-2545) form

Payroll Deduction

Speak with your employer
Resources

Find information online anytime you need
WRS Performance Page

Latest Investment Performance

Annual Returns, Rates and Adjustments

Trust Funds information

Links to pages
Additional Contributions Page

- Information for making additional contributions
- Maximum Additional Contribution Worksheet (ET-2566)
- Additional Contributions (ET-2123) brochure
- Additional Contributions Remittance (ET-2545) form

As a WRS employee, you can put extra money into your WRS account so you have more income for retirement. These additional contributions earn the same rate of interest as your employee-required contributions. The amount of money that you can contribute each year (for both required and additional contributions) is set by federal tax law. Completing a Maximum Additional Contribution Worksheet (ET-2566) will help you calculate your maximum additional contribution amount.

Please Note: You may not make additional contributions once you have terminated all WRS-covered employment.

Contribute More
You can choose to deposit 50% of your contributions, including additional contributions, into the Variable Trust Fund. The Variable Fund is an all-stocks fund. Participants in this fund are exposed to a higher degree of risk (because of possible losses from unfavorable stock market performance), in exchange for the possibility of greater returns over the life of the investment in the fund. The Variable Fund is not smoothed like the Core Fund; therefore, the full rate of return is applied each year.

Before you join, take the time to understand how participation affects your benefits, both before and during retirement. See the Variable Trust Fund (ET-493Q) brochure for a detailed explanation of how the Variable Fund works and is calculated in your money purchase and formula calculations. Also, understand how Variable excess or deficiency (below) affect your account before you decide.
Learn at your leisure from the comfort of home:

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