



Preparing for Your Retirement

Information for WRS Employees within 5 Years of Retirement

Objectives

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

- Explain how the WRS retirement benefit works
- Recognize eligibility and prepare to apply for benefits
- Identify the different types of annuity options
- Prepare for living in retirement
- Find additional resources



Calculating Your WRS Retirement Benefit

| Preparing | Applying | Retired |

WRS Retirement Benefit Calculations

We compare two calculations:

Money Purchase

- Age at retirement
- Account balance

vs.

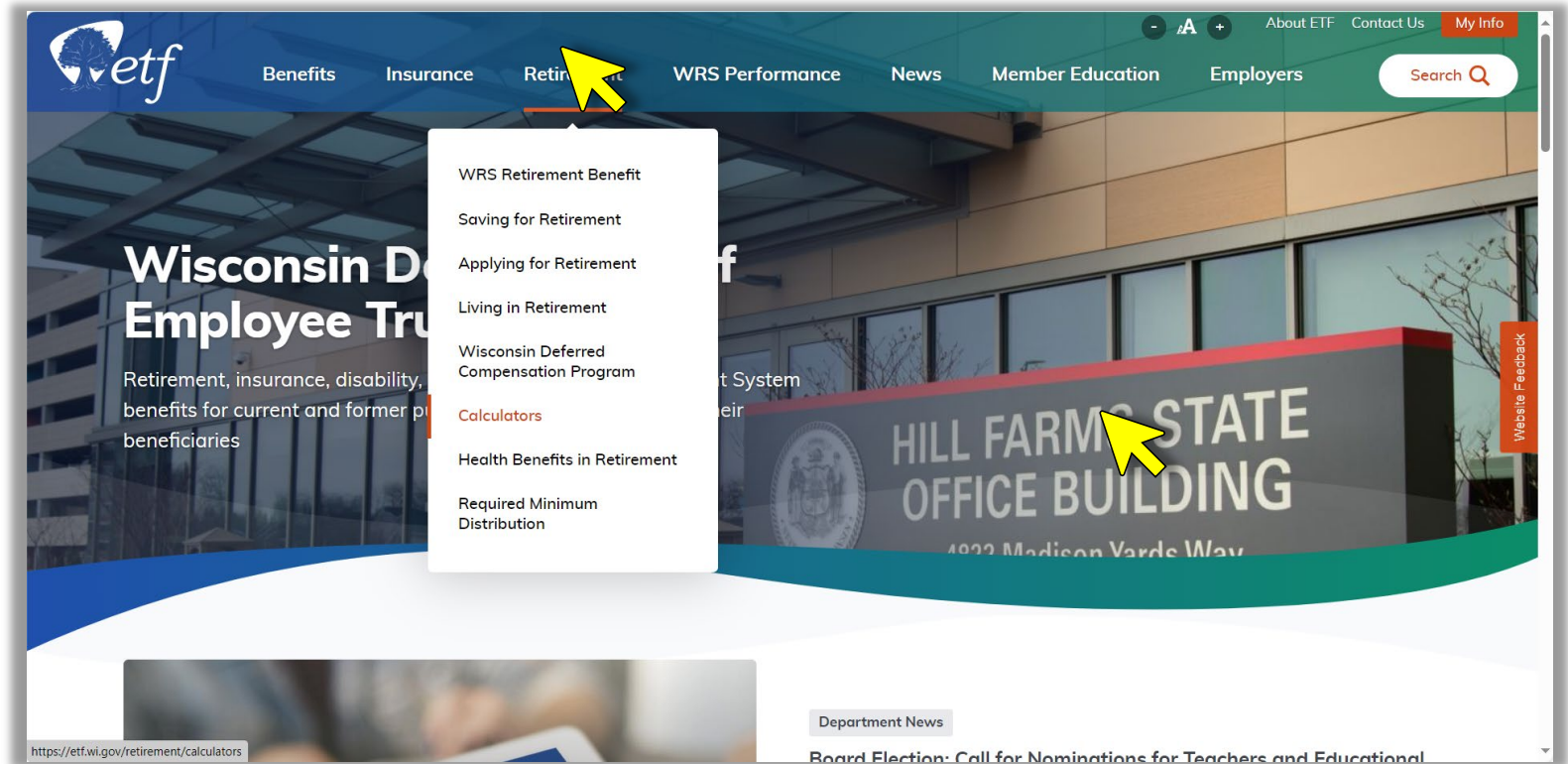
Formula

- Years of service
- 3 highest years of earnings
- Employment category
- Age at retirement

**You get paid
the higher of
the 2**


WRS Retirement Benefits Calculator Location

1. Go to etf.wi.gov
2. Hover mouse over Retirement
3. Click Calculators from the drop-down menu



Information Needed From Annual Statement of Benefits

Employer Return
Additional Information



Wisconsin Department of Employee Trust Funds (ETF)
Wisconsin Retirement System (WRS)
WRS Codes: 401(a) and 403(b)
Toll Free 1-877-533-5020

Use most recent

January 1, 20xx Annual Statement of Benefits

Please review this document carefully. The amounts shown reflect ETF records as of January 1, 2019 and may be subject to corrections and appeals concerning WRS accounts, service history, earnings, contributions and other records.
Keep this document with your important personal records. Go to etf.wi.gov for more information.

Member ID: #####

If you plan to retire within the next 12 months, you must contact ETF for a retirement packet that includes an official estimate/application.

Section 1 - 20xx Earnings and Service
The earnings and service below were reported by your WRS employer for calendar year 2018. Earnings and service for teachers, judges and educational support personnel are also shown for the first half of the current fiscal year.

Category	Year	Earnings	Years of Service
General	20XX	\$36,129.61	.00

Section 2 - Years of Creditable Service as of January 1, 20xx
Years of service for teachers, judges and educational support personnel are based on fiscal years. This statement shows both fiscal and calendar year service.

Category	Before 2000	After 1999	After Act 10	Total Service
General	.00	10.71	.00	10.71
Protective w/ Social Sec	.00	6.40	.00	6.40
Total Years of Creditable Service	.00	17.11	.00	17.11

Section 3 - 20xx Employee-Required Contributions

	Core	Variable	Total
January 1, 20xx Balance	\$52,382.68		\$52,382.68
Interest (Core: 0.5%)	\$		\$
Employee-Paid Contributions	\$10,000.00		\$10,000.00
Employer-Paid Employee Contributions	\$		\$
Adjustment	\$		\$
January 1, 20xx Balance	\$62,382.68		\$62,382.68

Non-taxable portion of employee contributions (investment in contract): \$20,450.32

Continued on Back

Additional contributions

Highest earnings

Years of service

Employment categories

Section 4 - Additional Contributions

	Employee Additional Core	Variable	Tax-Deferred Core	Variable	Employee Additional LTDI Core	Variable
January 1, 20xx Balance						
Interest						
Contributions						
Adjustment						
January 1, 20xx Balance						

Non-taxable portion of employee contributions (investment in contract):

Section 5 - Primary Beneficiary Designation(s) for WRS-Required Account
Automated recording of beneficiary designations began in 1988. If you submitted a designation prior to that time, it is not displayed. However a record of that designation is in your file. If you never filed a designation, standard sequence applies.

Section 6 - Separation Benefit

Benefit payable prior to age 50.	\$62,382.68
----------------------------------	-------------

Section 7 - Death Benefit
Active death benefit is the amount payable if you die while employed in a position covered under the WRS. Inactive death is the amount payable if you die while not employed in a position covered under the WRS and before you receive a WRS benefit. Once you are an annuitant, your death benefit, if any, is based on the annuity option that you selected.

	Active	OR	Inactive
Required Contributions	\$124,765.33		\$62,382.68
Additional Contributions	\$		\$
Total:	\$124,765.33		\$62,382.68

Section 8 - Formula Benefit Data

Three Highest Years of Earnings as of January 1, 20xx.			Variable Excess/Deficiency	
Year	Earnings	Service	Employee	Total
20xx	\$48,305.29	1.00	\$	\$
20xx	\$47,242.28	1.00	\$	\$
20xx	\$46,692.24	1.00	\$	\$
\$3,951 Final Average Monthly Earnings				

Section 9 - Money Purchase Balance
Total required employee and matching employer contributions, including interest.

	Core	Variable	Total
Employee-Required Contributions	\$62,382.68		\$62,382.68
Matching Employer Contributions	\$62,382.65		\$62,382.65
Total:	\$124,765.33		\$124,765.33

Section 10 - Retirement Benefit Projections
When you retire, you are entitled to the higher of a Money Purchase or a Formula retirement benefit. These calculation methods are based on various factors.

	Money Purchase Benefit	Formula Benefit
Age at retirement	55	65
Account balance at retirement	\$688 *	\$828 *
Employee Contributions	\$1,005 *	\$1,182 *
Employer Matching Contributions		
Accumulated Interest		
Years of service		
Reduction if retiring prior to normal retirement age		
Adjustments due to participation in the Variable Trust Fund		

The projections below reflect your earliest possible retirement age and the age when you can receive an unreduced benefit (no reduction because of age).
If you are currently age: 55 65

	55	65
Monthly Money Purchase Benefit	\$688 *	\$828 *
Monthly Formula Benefit	\$1,005 *	\$1,182 *

*These unofficial amounts do not reflect future benefits. They are based on your account balances as of January 1, 2019. To project future retirement benefits using this statement, visit the [Retirement Calculator at etf.wi.gov/calculator.htm](http://etf.wi.gov/calculator.htm).
*Amounts reflect the highest payment option available that does not protect a beneficiary. At retirement, you will be given other options that do provide death benefits.
*These projections do not include any applicable voluntary additional contributions in Section 4.
*If your earnings or monthly benefit exceeds federal limits under IRC 401(a)(17) or 415(b), your final retirement benefit may be restricted. This determination can only be made upon retirement.

Variable excess or deficiency

Money purchase total



The information you entered:

Name: **Jane Doe**
 Your age at retirement will be: **55**
 You plan to retire in: **2030**
Your Employment Terminated after 1999
 Your years of General/Teacher/Educational Support Creditable Service After 1999 will be: **10.71**
 Your years of Protective With Social Security Creditable Service After 1999 will be: **6.40**
 Your 3 High Years of Earnings and Related Service:
 Year 1) **\$48,305.29 (1.00)**
 Year 2) **\$47,242.28 (1.00)**
 Year 3) **\$46,692.24 (1.00)**
 Your calculated monthly Social Security amount will be: **\$953.00**

The information you entered

Factors Used in Your Calculation:

- The age reduction factor used to calculate your formula annuity for the General/Teacher/Educational Support employment category is: **.739000**
- The age reduction factor used to calculate your formula annuity for the Protective With Social Security employment category is: **none**
- The money purchase factor used to calculate your money purchase annuity, variable adjustment to your formula annuity, and/or benefits from your additic contributions is: **.005380**

Factors used in your calculation

Your Estimated Monthly Benefit Amounts

Your benefit is higher under the: formula calculation

	REQUIRED CONTRIBUTIONS		ADDITIONAL CONTRIBUTIONS		
	Regular	OR	Accelerated Payments Until Age 62	After Age 62	
Life Annuity Options:					
- For Annuitant's Life Only	\$1,006.07	or	\$1,594.90	\$641.90	\$0.00
- 60 Payments Guaranteed	\$1,004.56	or	\$1,593.94	\$640.94	\$0.00
- 180 Payments Guaranteed	\$991.99	or	\$1,585.92	\$632.92	\$0.00
Joint and Survivor Annuity Options:					
- 75% Continued to Named Survivor	\$0.00	or	\$0.00	\$0.00	\$0.00
- 100% Continued to Named Survivor	\$0.00	or	\$0.00	\$0.00	\$0.00
- Reduced 25% on Death of Annuitant OR Named Survivor	\$0.00	or	\$0.00	\$0.00	\$0.00
- 100% Continued to Named Survivor with Payments Guaranteed	\$0.00	or	\$0.00	\$0.00	\$0.00
	Annuities Certain:		24 months	\$0.00	
			60 months	\$0.00	
			120 months	\$0.00	
				\$0.00	

Lump Sum: **Not Eligible**

Your estimated monthly benefit amounts including additional contributions and if you are eligible for a lump sum payment

This report is only an estimate and should not be your only source of information for retirement planning. See the [Calculating Your Retirement Benefits](#) brochure for calculation information. **Cor with questions concerning your retirement and plan on attending a [group presentation](#) in your at learn more about your WRS benefits.**

[Use the BACK button to return to the calculator.](#)



When You Can Retire

| Preparing | Applying | Retired |

Eligibility – Must Have All 3

Met minimum
retirement age
(55/50)




Vested in
WRS

Terminated ALL
WRS employment

Met Minimum Retirement Age

Retirement Ages for Formula Calculations

Minimum Retirement Age




55

Age reduction

Earliest age you can begin receiving a benefit


Age & WRS Service



57 **30**

No age reduction at age 57 with 30 years of service

Normal Retirement Age



65

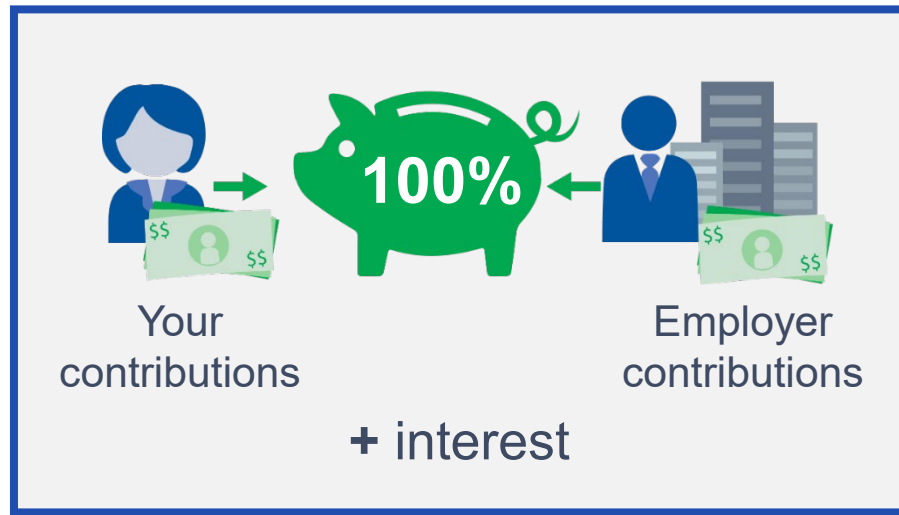
Normal age to start a benefit with no age reduction

Use the [WRS Retirement Benefits Calculator](#) to find your age reduction factor

Vested in WRS

Vested

- Point you may retire with your full WRS retirement benefits



On or after July 1, 2011

- 5 years of creditable service

Before July 1, 2011

- Starts with employment

Don't meet requirements

- Separation benefit only



Start Benefits the Earliest Possible Date

Termination Date

The last day of employment with WRS employer.

Benefit Effective Date

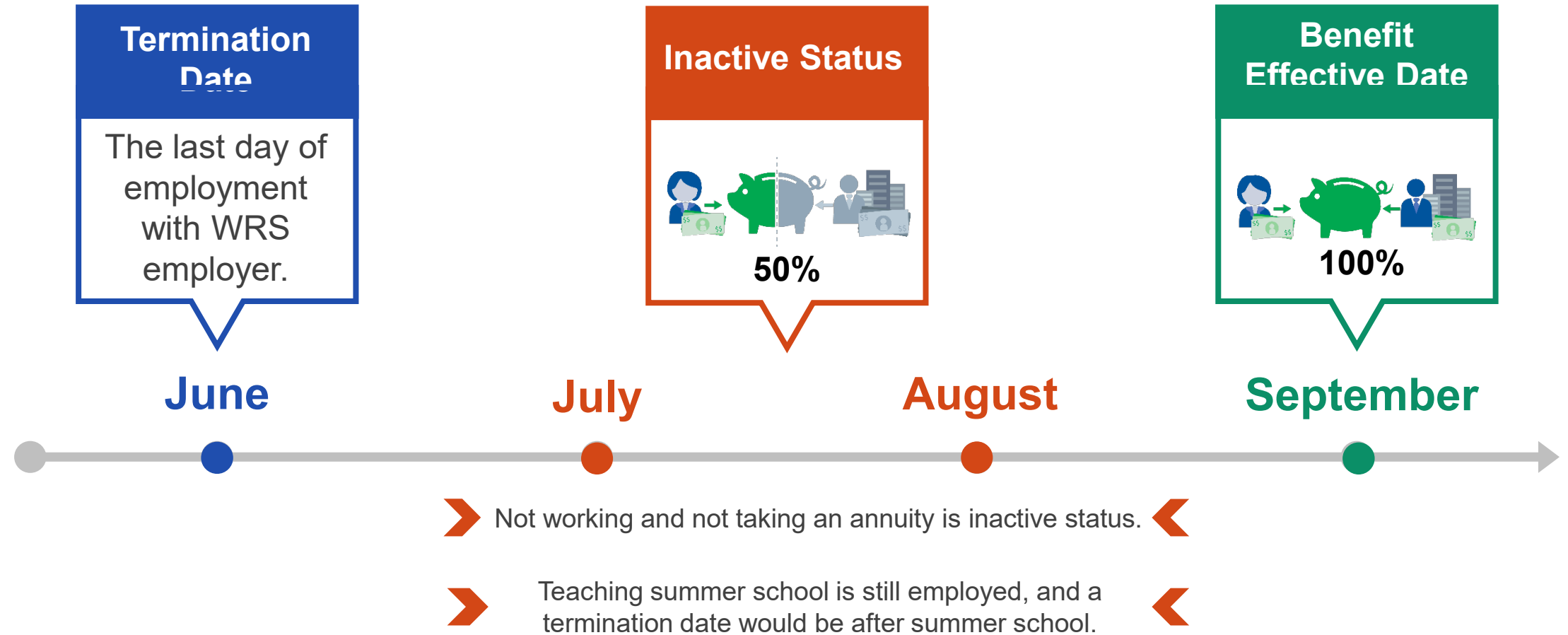
The date your annuity starts.

Inactive Status



Start Benefits the earliest possible date after termination to avoid Inactive Status.

Teacher Inactive Status Example





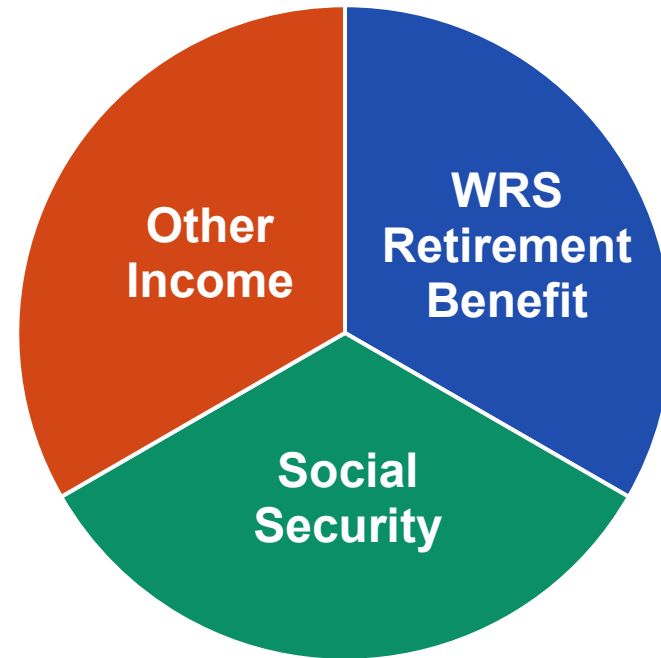
Preparation Factors

| Preparing | Applying | Retired |

Other Income for Retirement


- Savings
- IRAs or other tax-deferred accounts
- Post-retirement employment
- Additional Contributions

Retirement Income




Additional Contributions

Post-tax Dollars



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

Interest Earned




Based on investment performance

Deposit on Time



Before end of business year and before termination

Leave until RMD* Age

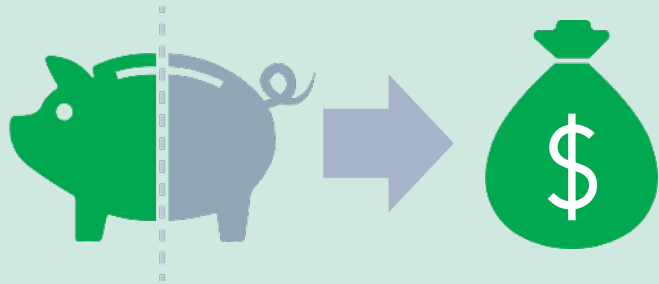


Earns interest

* Required Minimum Distribution

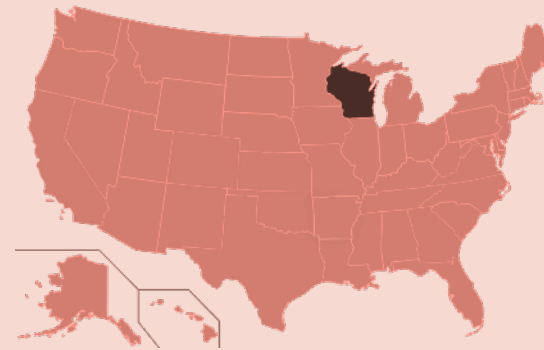
Buying Creditable Service

Forfeited Service



Separation Benefit

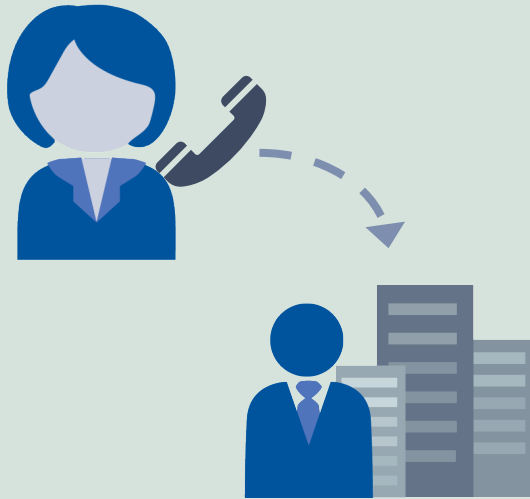
Other Governmental Service



Work done for another public employer outside State of Wisconsin

Life Insurance

Local Employer Life Insurance



Contact your employer

OR

Group Life Insurance Program



Continues

Contact ETF



Deducted

Health Insurance

Local Employer Health Insurance



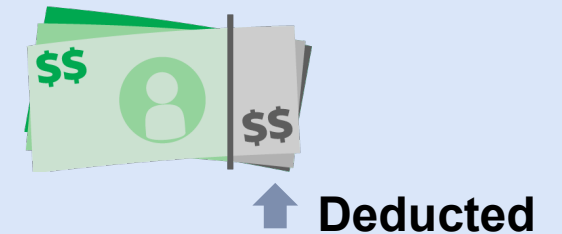
Contact your employer
(insurance available?)

Costs in Retirement



Costs may increase (e.g.,
pay full premium)

Group Health Insurance Program



Contact ETF, pay with
annuity

Participation in the Variable Fund

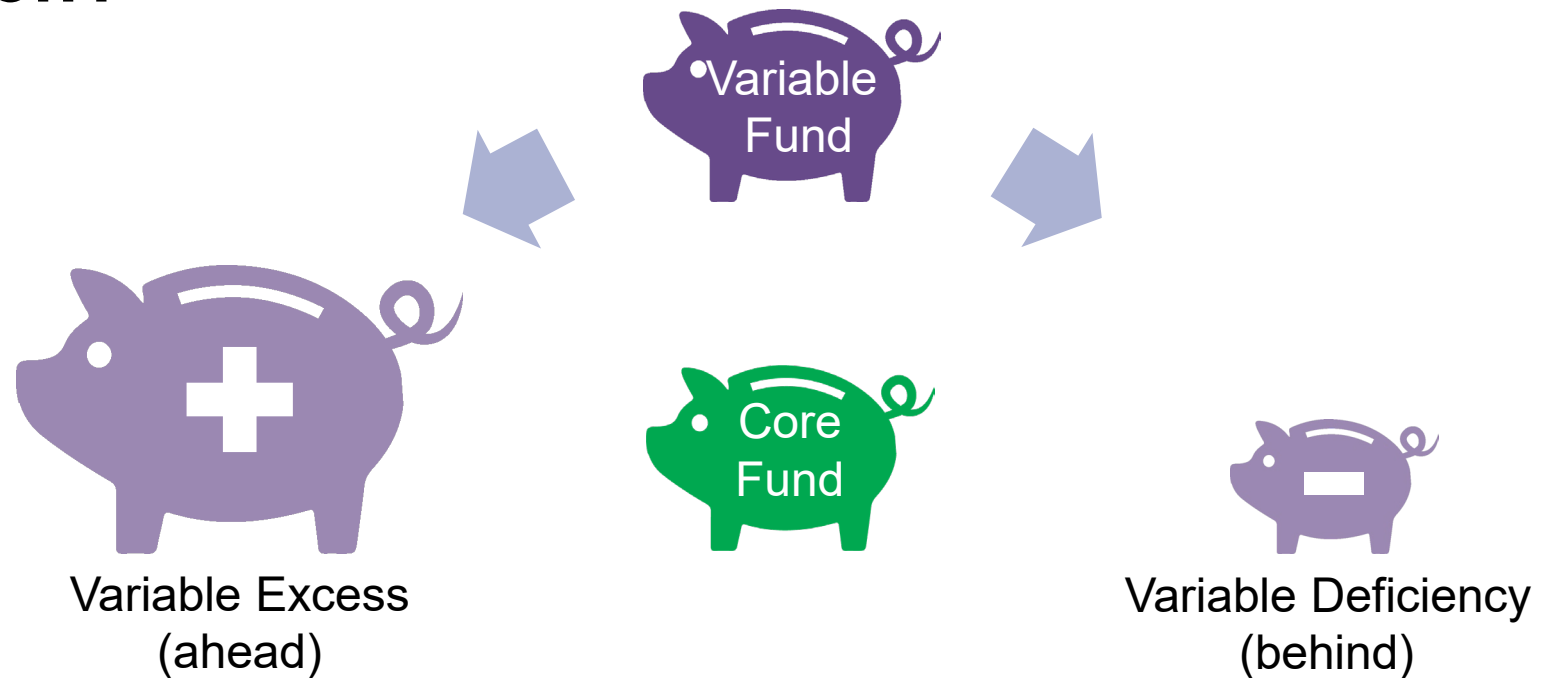
Cancel participation?

Variable Performance

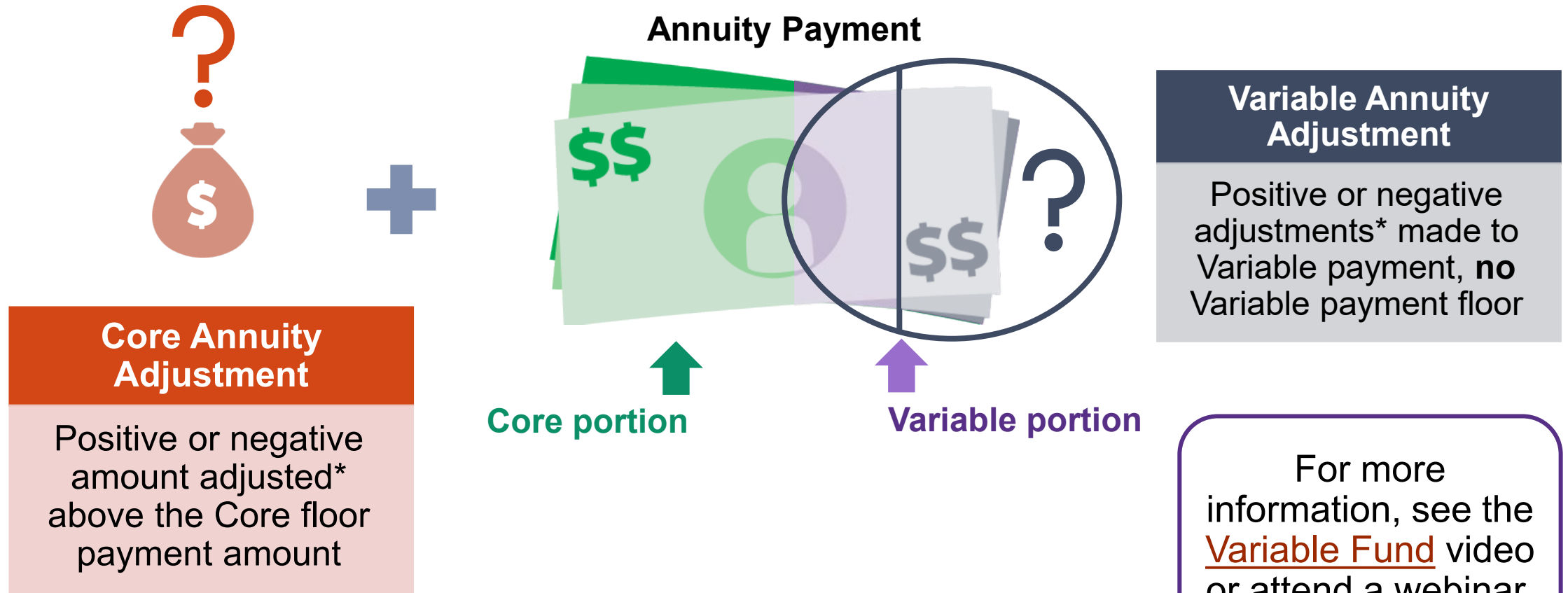
Section 8 of Statement of Benefits

Variable Excess/Deficiency

Employee	\$4,097.53
Employer	\$4,097.53
Total	<u>\$8,195.06</u>



WRS Annuity Adjustments and the Variable Fund



*Adjustments based on investment performance

For more information, see the [Variable Fund](#) video or attend a webinar.



Applying for Retirement Process

| Preparing | **Applying** | Retired |

Request an Official Estimate

- 12 months before minimum retirement age
- Request once every 12 months
- An estimate shows:
 - Benefit calculation type & factors
 - Service and earnings
 - Benefit payment options

RETIREMENT BENEFIT ESTIMATES AND APPLICATION PLEASE COMPLETE IN BLACK OR BLUE INK
Wis. Stat. §§ 40.23, 40.24, 40.25; 42.49, 42.242 (7), 15.79 Stats.

Name John Doe	Birthdate XX/XX/XXXX	Social Security Number XXX-XX-XXXX
Address 1 Street, City, WI 53XXX		
Date of Estimate XX/XX/XXXX	Effective Date of Annuity XX/XX/XXXX	Your Age on Effective Date 62 5
Normal Retirement Age 65	Benefit Calculation Type FORMULA	Formula Factor(s) Used in Your Estimates .01600 .01765 .01600

If information above is incorrect, please make corrections.

SERVICE YEARS BY CATEGORY, INCLUDING MILITARY SERVICE				MILITARY SERVICE ONLY		
Employment Category	Before 2000	After 1999	Total Years for Category	Before 2000	After 1999	Total Years of Military Service
GENERAL	8.40	18.58	26.98			

Three Highest Years of Earnings			Final Average Monthly Earnings
Year	Earnings	Years of Service	
2008	\$39,812	1.00	\$3,186
2010	\$37,841	1.00	
2009	\$37,045	1.00	

BENEFIT PAYMENT OPTIONS (based on above data)
Check only one box for your Monthly Retirement Benefit. Check only one box under Employee Additional Contributions Benefit if you want to apply for your employee additional contributions at this time.

Life Annuity Options:	Regular	MONTHLY RETIREMENT BENEFIT		EMPLOYEE ADDITIONAL CONTRIBUTIONS BENEFIT
		Accelerated Payments Until Age 62	After Age 62	
• For Annuitant's Life Only	<input type="checkbox"/> \$845	OR	<input type="checkbox"/> \$1,713	<input type="checkbox"/> \$241 0'
• Life with 60 payments Guaranteed	<input type="checkbox"/> \$841	OR	<input type="checkbox"/> \$1,711	<input type="checkbox"/> \$240 02
• Life with 180 payments Guaranteed	<input type="checkbox"/> \$811	OR	<input type="checkbox"/> \$1,687	<input type="checkbox"/> \$231 04

Joint and Survivor Annuity Options:
Named survivor, birthdate and relationship used in estimate: 8/26/1946 SPO/SL

• 75% Continued to Named Survivor*	<input type="checkbox"/> \$770*	OR	<input type="checkbox"/> \$1,655	<input type="checkbox"/> \$592*	<input type="checkbox"/> \$220 * 07
• 100% Continued to Named Survivor	<input type="checkbox"/> \$748	OR	<input type="checkbox"/> \$1,639	<input type="checkbox"/> \$576	<input type="checkbox"/> \$213 1'
• Reduced 25% on Death of Annuitant or Named Survivor*	<input type="checkbox"/> \$794*	OR	<input type="checkbox"/> \$1,674	<input type="checkbox"/> \$611*	<input type="checkbox"/> \$227 * 09
• 100% Continued to named Survivor with 180 Payment Guaranteed	<input type="checkbox"/> \$745	OR	<input type="checkbox"/> \$1,637	<input type="checkbox"/> \$574	<input type="checkbox"/> \$213 12

Annuity Certain - Additional Contributions Only

Payable for 24 Months	<input type="checkbox"/>	\$1,719	29
Payable for 60 Months	<input type="checkbox"/>	\$738	30
Payable for 120 Months	<input type="checkbox"/>	\$413	3'
Payable for <input type="text"/> Months (write in 24-180)	<input type="checkbox"/>		2'

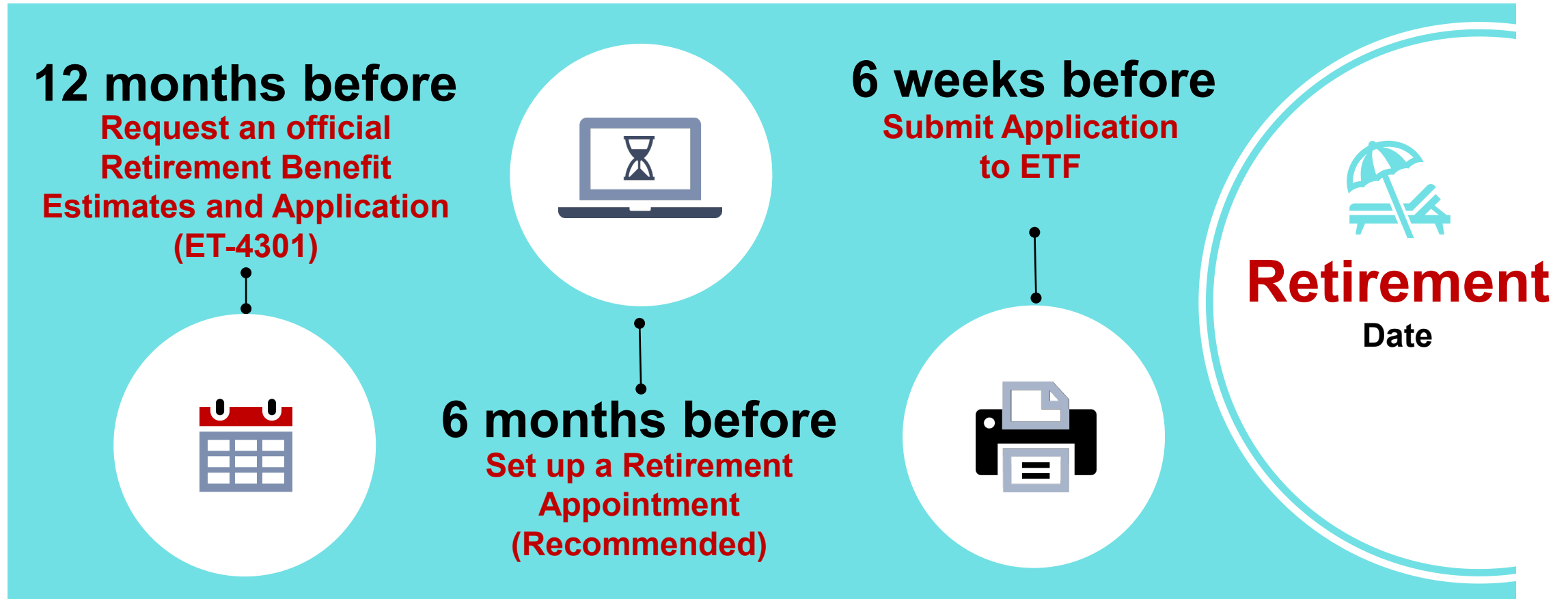
The amount shown is prior to 2% reduction upon death.

Lump Sum, Payment Options: Required Contributions: NOT ELIG Additional Contributions: \$39,228 50

JOINT AND SURVIVOR INFORMATION (This is not a Beneficiary Designation)
Complete this information only if you select a Joint and Survivor Annuity option above, even if that person's name is shown above. Do not complete this section if you have selected a Life Annuity or Lump Sum option above.

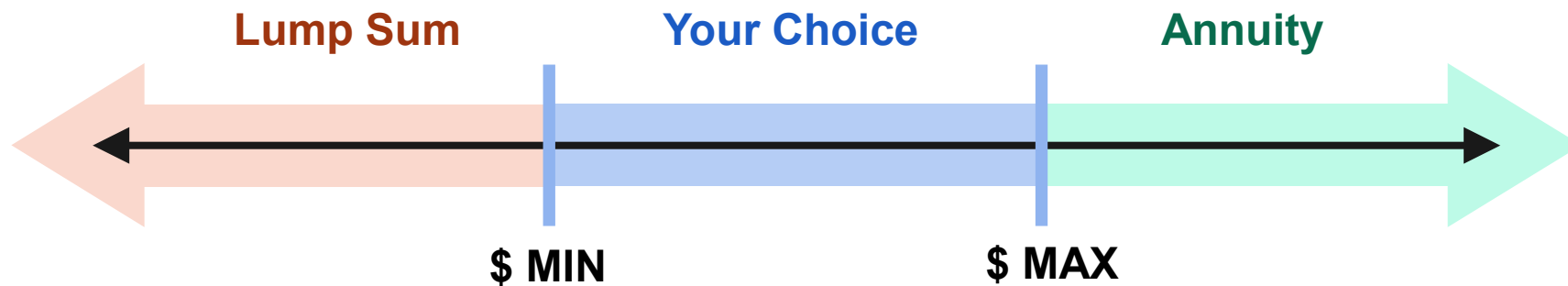
Named Survivor Name: Last, First, Middle		Named Survivor - Social Security Number
Named Survivor Birthdate	Named Survivor Sex	Relationship to Applicant

Applying for Retirement Timeline



How Your Benefit is Paid

- Paid in annuity (monthly payment) or lump sum:



- An annuity is paid for your lifetime, no matter what
 - The annuity option you select determines the payment amount and whether death benefits will be payable after your death

Beneficiary vs. Named Survivor

A **Beneficiary** is a person(s) or entity you name to receive benefits upon your death
(Change anytime with beneficiary form)



An individual
(or multiple individuals)



An entity
(such as a charity, business, religious organization, etc.)



A trust



Your estate

A **Named Survivor** is one person who will receive a lifetime benefit upon your death if they survive you



Must be an individual



Federal law restrictions on age of non-spouse named survivor

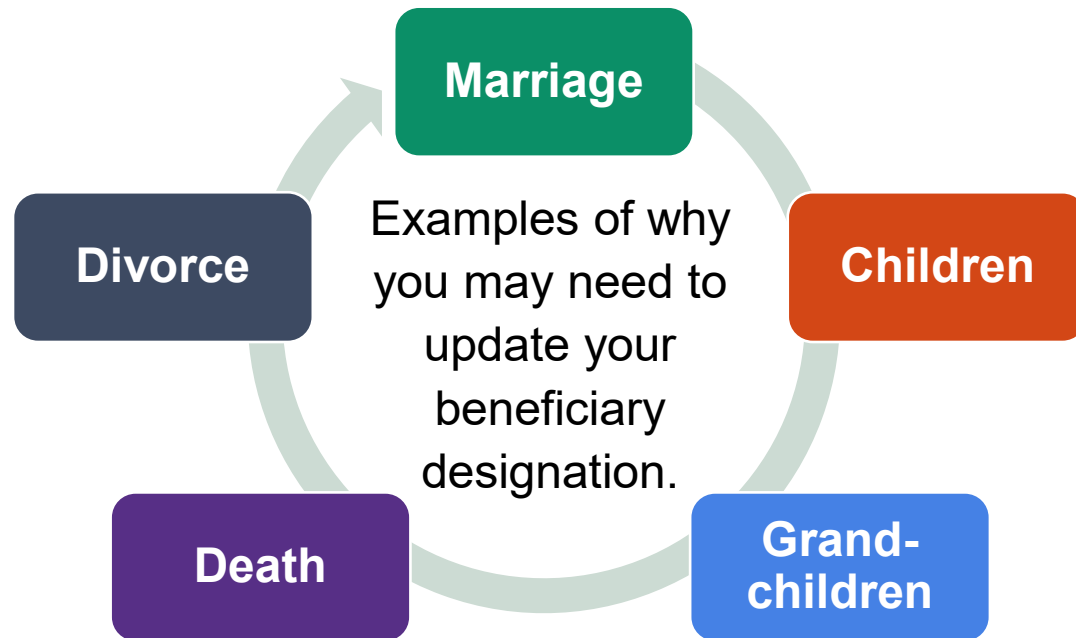


60 days after 1st check, notify in writing of change



After 60 days, cannot change named survivor


Update Your Beneficiaries!



Statement of Benefits:

Section 5 - Primary Beneficiary Designation(s) for WRS-Required Account
RECEIVED 09/19/14
FIRST NAME, MIDDLE INITIAL, LAST NAME

Do not see primary designation:



Contact ETF to verify

Beneficiary Designation Form

- **Not** paid according to your will
- Paid according to **most recent** beneficiary designation form
- Send designation forms **to ETF** (not your employer)
 - No form on file: ETF follows **Standard Sequence**

Wisconsin Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931
etf.wi.gov
1-877-533-5020 (toll free)

Beneficiary Designation
Wis. Stat. § 40.02 (8) (a) and 40.74

Do not submit to your employer **Refer to instructions on reverse**

Complete if applicable
Beneficiary of:
Alternate Payee of:

Type or print in ink

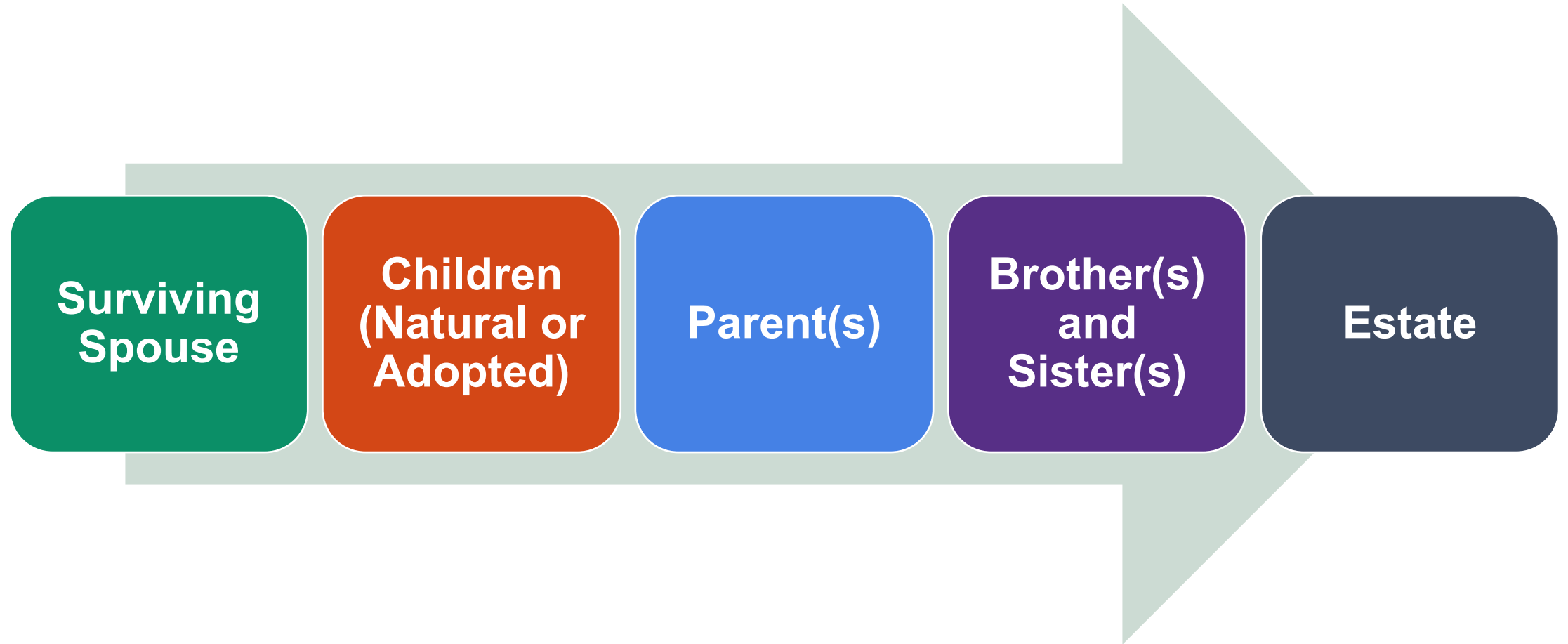
Your name First Middle I. Last Former/maiden	Your Social Security number - -
Your address (Street number and street name)	Your birth date (MM/DD/YYYY) / /
City State ZIP Code	Your weekday telephone number (Include area code) () -

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.

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

Print from our website:
etf.wi.gov/publications

Standard Sequence



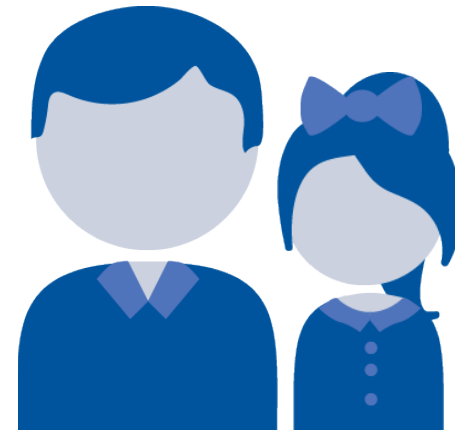
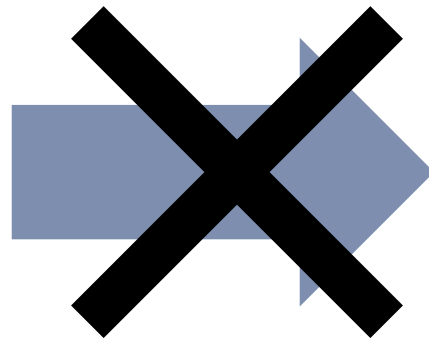


Annuity Options

Life Annuity Options

For Annuitant's Life Only

Payments **ALWAYS** last
for your lifetime

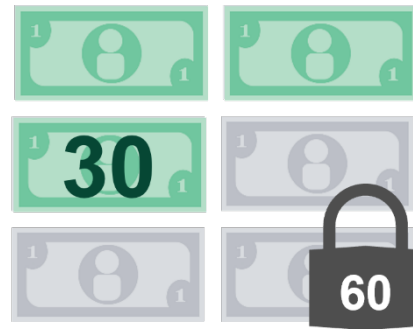


Life with 60 Payments Guaranteed

Payments ALWAYS last for your lifetime



After 60 payments annuitant only



Remaining guaranteed payments

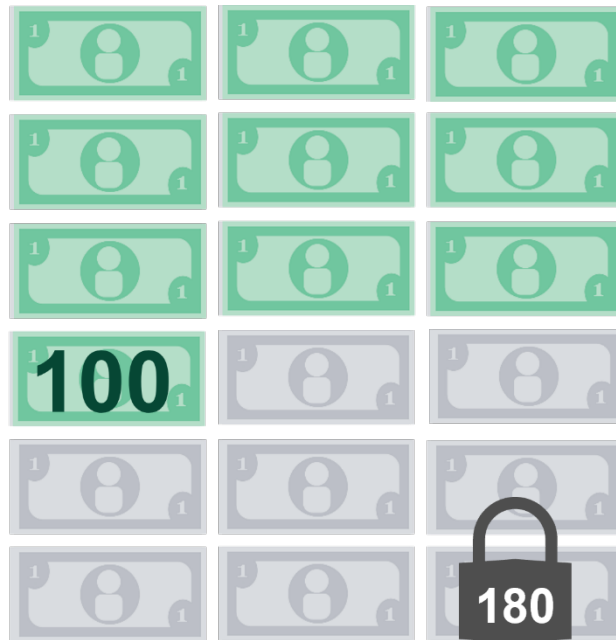


Life with 180 Payments Guaranteed

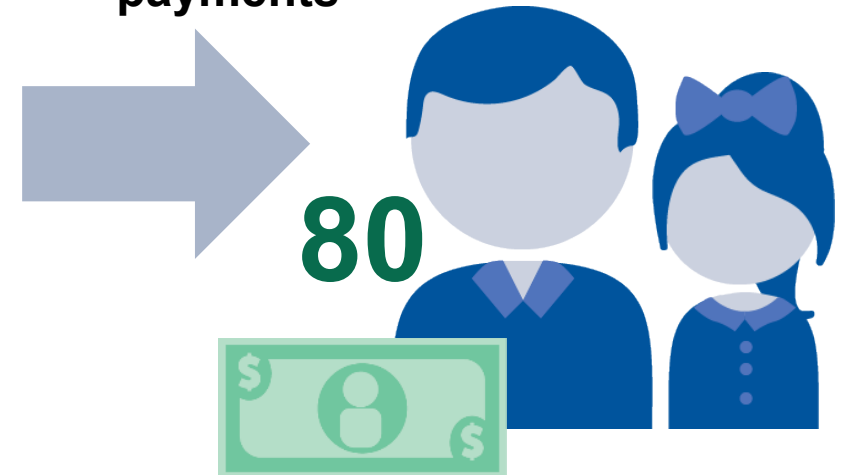
Payments ALWAYS last for your lifetime



After 180 payments annuitant only



Remaining guaranteed payments





Annuity Options

Joint and Survivor Annuity Options

Receive a WRS Annuity Payment for Your Lifetime

75% Continued to Named Survivor



75%



Survivor receives 75% of payment upon your death



Survivor dies in first 5 years, you receive “For Annuitant’s Life Only” amount



Survivor dies before you, payments stop upon your death



Non-spouse survivor may not be 19+ years younger than you

100% Continued to Named Survivor



Survivor receives same payment upon your death



Survivor dies in first 5 years, you receive “For Annuitant’s Life Only” amount



Survivor dies before you, payments stop upon your death



Non-spouse survivor may not be 10+ years younger than you

Reduced 25% on Death of Annuitant or Named Survivor



When you **or** your named survivor dies, the benefit will reduce by 25%



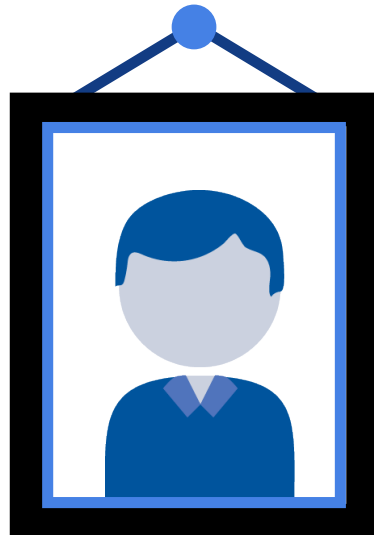
Survivor dies before you, payments stop upon your death



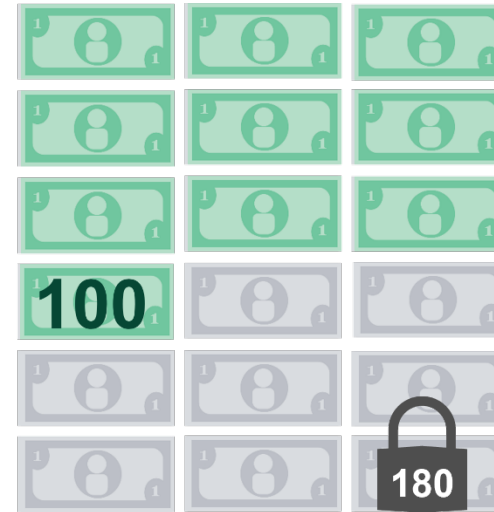
Non-spouse survivor may not be 19+ years younger than you

100% Continued to Named Survivor with 180 Payments Guaranteed

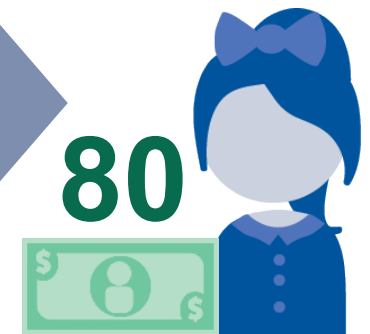
Payments ALWAYS last for your lifetime



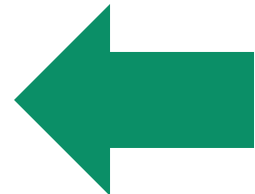
Non-spouse survivor cannot be 10+ years younger than you



Remaining guaranteed payments



After 180 payments annuitant (or survivor) only



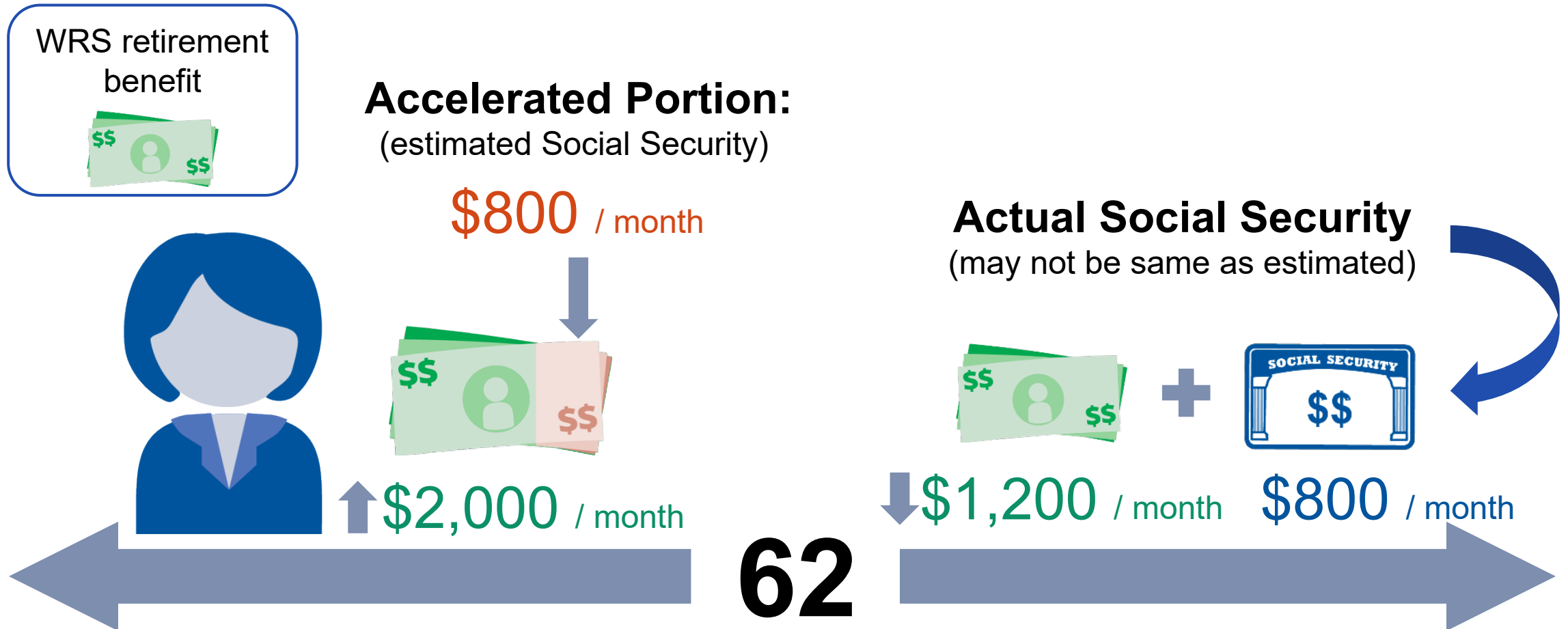


Annuity Options

Accelerated Payment Options

Retiring Before 62?

How Accelerated Payments Work





Submitting Your Application

Submit to ETF

6 weeks before your retirement date

Don't forget to:

- Sign and date the form
- Make a copy of your application for your records

Choose 1 of 3 ways to submit:

Fax to ETF



608-267-4549

Mail to ETF



WI Dept. of Employee
Trust Funds
P.O. Box 7931
Madison, WI 53707-7931

Drop Off at ETF

Drop
Box



Or 8th
Floor

Wisconsin Dept. of
Employee Trust Funds
Hill Farms State Office Bldg
4822 Madison Yards Way
Madison, WI 53705-9100


Do Not Send
to Your Employer

Notice to Retirement Applicant (ET-4414)

- Proof that application has been received
- Review for accuracy:
 - Contact information
 - Tax withholding
 - Annuity Option
 - Named survivor, if applicable



Find inaccurate information?
Call **877-533-5020**


Department of Employee Trust Funds
WISCONSIN RETIREMENT SYSTEM
P.O. Box 7831
Madison, WI 53707-7831

NOTICE TO RETIREMENT APPLICANT

02/02/2024

Name	Birthdate	12/12/1958
Street Address		
City, ST ZIP	Social Security Number	XXX-XX-XXXX

The Department of Employee Trust Funds has received and is processing your retirement benefit application. Your benefit amounts are based on an estimated calculation. A final calculation of your benefit will be completed (and you will receive a final calculation notice) after all the factors that have an impact on your benefit have been reported and reviewed.

Your benefit will be effective: 04/02/2024

You can expect to receive your first payment on or about: 05/01/2024

The payment option you selected is:
For Annuitant's Life Only

Your named joint survivor is:
Not Applicable

Your monthly gross amount is: \$1,091.30

Details about deductions follow:

Federal income tax withholding:	\$70.00
State income tax withholding:	\$.00

Your net amount is: \$1,021.30

Income tax withholding calculations may differ slightly at payment.

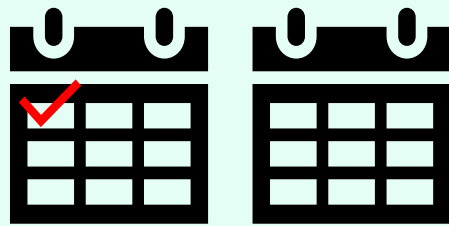
There is a minimum of \$5 per month for Wisconsin income tax withholding.

Other deductions specific to your account such as health insurance premiums (if applicable) may result in a further reduction to your net benefit amount.

ET 4414 (Rev. 1/22/22)
(See Reverse Side)

Changing Your Annuity Payment Option

Change Annuity Payment Option

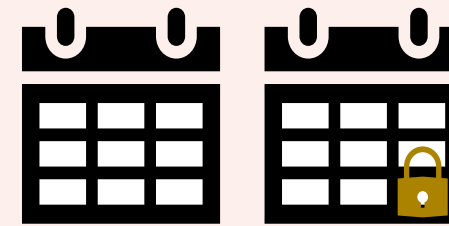


 **60 days**
from your first payment



**Retirement Annuity
Option Change
Application (ET-4319)**

Annuity Payment Option Locked In



60 days 



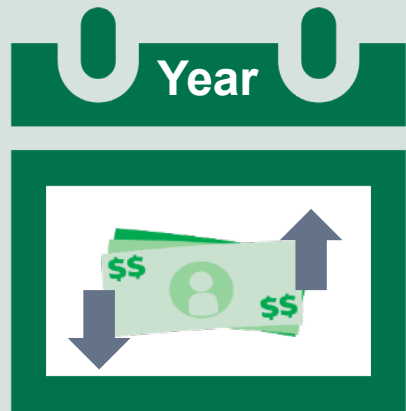
**Cannot be changed
after 60 days**



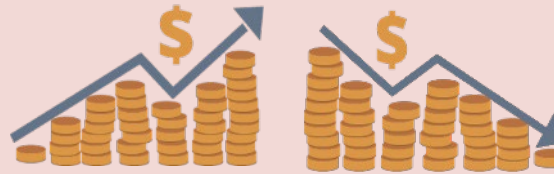
Living in Retirement

| Pre-Retirement | Applying | Retired |

Annuity Adjustment



Yearly changes to a retiree's monthly pension payment



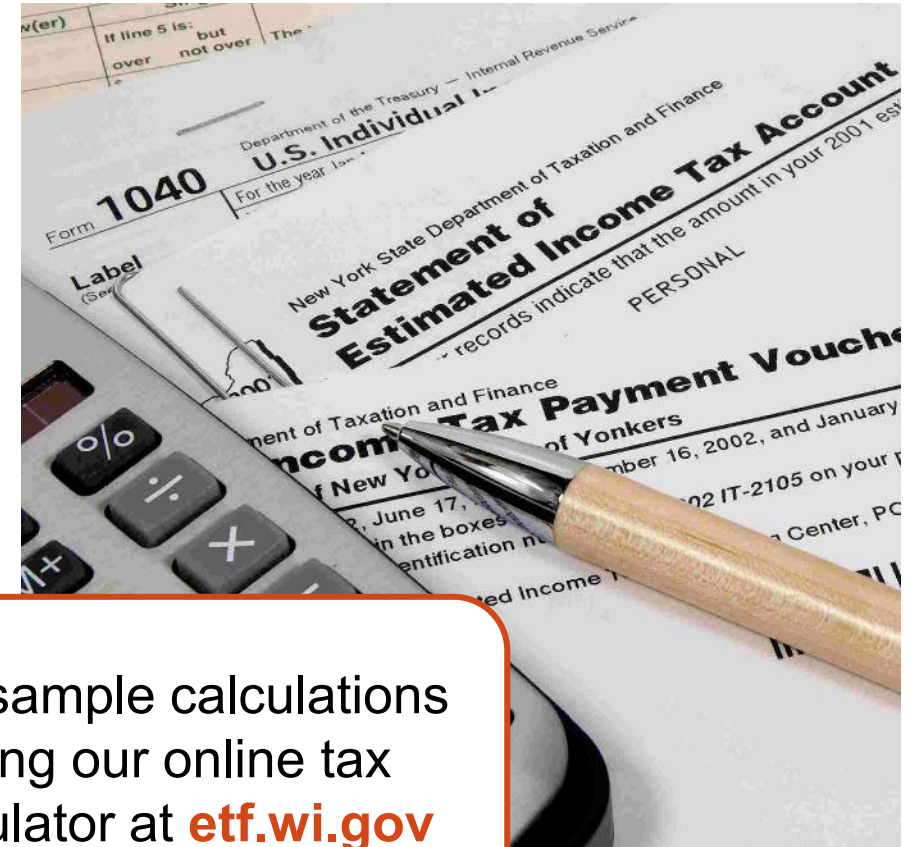
Payments may increase or decrease based on investment returns



Annuity Adjustments affect monthly payments starting May 1

Annuity & Taxes

- State & Federal
 - ETF can only withhold for Wisconsin
- Change tax withholding status at anytime
- 1099-R sent in January
- No Medicare or Social Security taxes



Run sample calculations using our online tax calculator at etf.wi.gov

Returning to Work

Non-WRS Employer (Private)



No restrictions

WRS Employer (Public): Good Faith Termination

1. 75-day Break in Service



2. No Agreement to Return



See the [Information for Rehired Annuitants \(ET-4105\)](#) brochure for more information.

Return to Work Annuity Limitations

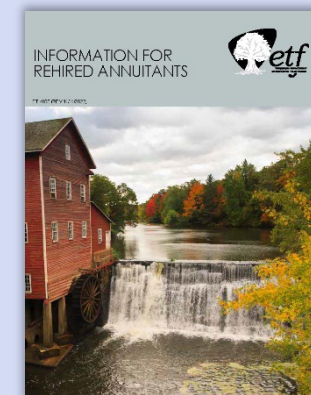
Keep Annuity

1. Expected to work less than 12 months **OR**
2. Stay under 2/3 of full time:
 - 880 hours for teachers and school district employees
 - 1,200 hours for other employment categories

Suspend Annuity

- 2/3 or more of full time for a year or longer
- Become WRS eligible
- Work with your employer if your plan changes

More Information



Information for Rehired Annuitants (ET-4105)

Stay Connected



ETF E-mail Updates



1-877-533-5020



etf.wi.gov



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.