



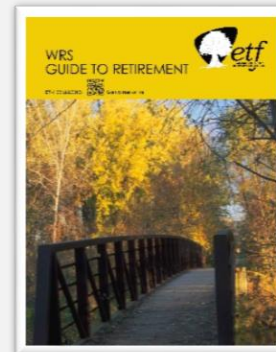
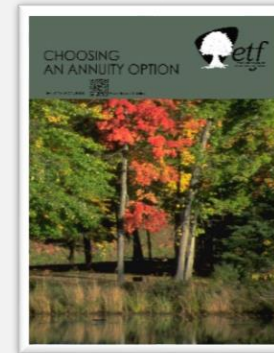
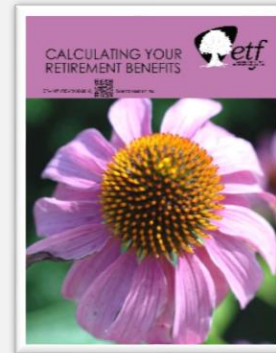
# Preparing for Retirement

Information for WRS Members 10 or Less Years from Retirement



# Preparing for Retirement

- Saving for Retirement
- Eligibility and Benefits
- Annuity Options
- Health and Life Insurance
- Additional Resources



# Who are We?

Department of Employee Trust Funds

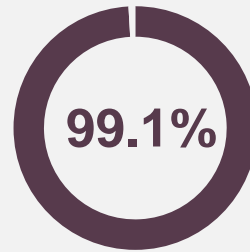
We administer 11 benefit programs



**Largest  
public pension**



**Largest public or  
private pension**



**Fully Funded**





# Meet Sally

We will explore key questions with Sally as she nears retirement.

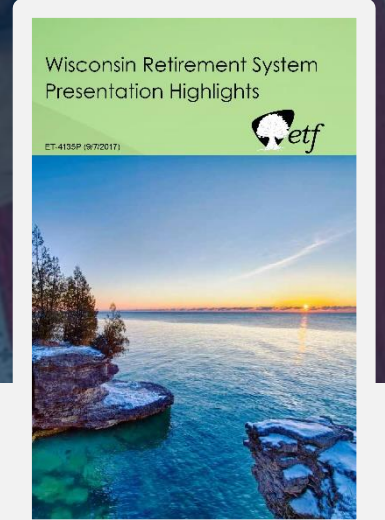




# Saving for Retirement

| Pre-Retirement | Applying | Post-Retirement |

Preparing for Retirement – September 10, 2018



# Saving Money for Retirement

- A percentage of each paycheck has been set aside for retirement
  - Pre-tax contribution
- Employer match is based on employment category
- You can enhance your retirement benefit with:
  - Additional contributions
  - Buying certain service



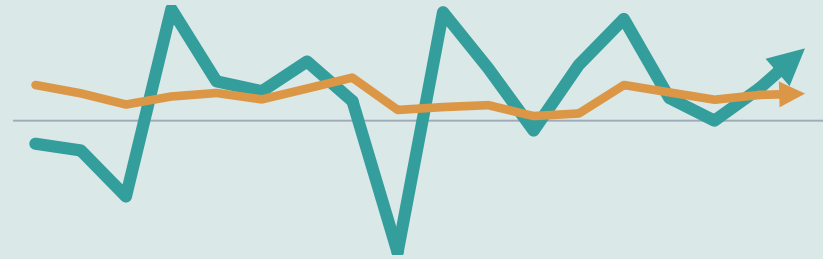


# How Your Contributions are Invested



## Core Fund

- Automatic enrollment for all employees
- Diversified portfolio
  - Guaranteed base payment when retired
  - 5-year smoothing



## Core + Variable Fund

- Variable enrollment is optional
- Variable Fund is a riskier investment
  - No guaranteed base payment. Annuity could drop below what you started with
  - 100% Stocks
  - No smoothing
- You can cancel and be in Core only

# Survivor Benefits

## Active Employees

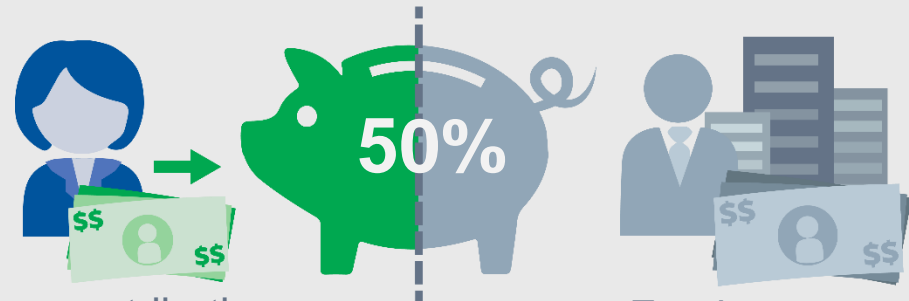


Your contributions

Employer match

+ interest

## Inactive Employees



Your contributions

Employer match

+ interest

on your contributions only



# Who ETF Pays...

- Not paid according to your will
- Paid according to most recent **beneficiary designation**
  - 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)

**Do not submit to your employer**

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

**Complete if applicable**

Beneficiary of:

Alternate Payee of:

**Refer to instructions on reverse**

Type or print in ink

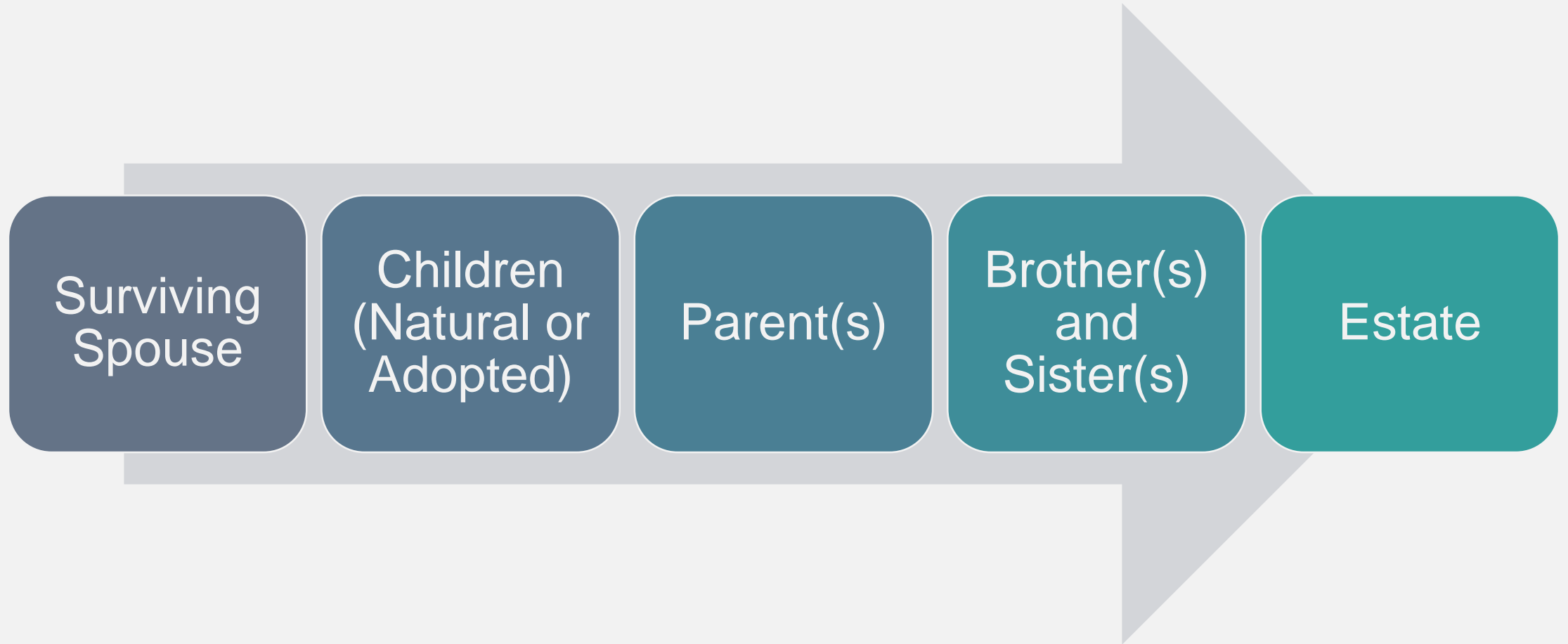
Your name First	Middle I.	Last	Former/maiden	Your Social Security number
Your address (Street number and street name)				Your birth date (MM/DD/YYYY)
City	State	ZIP Code	Your weekday telephone number (Include area code)	

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.

PRIMARY	Name (First, Middle I., Last)	Relationship	Birth date (MM/DD/YYYY)	SSN	Address (street, city, state, ZIP code)
				/ /	- -
			/ /	- -	
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			/ /	- -	
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			/ /	- -	
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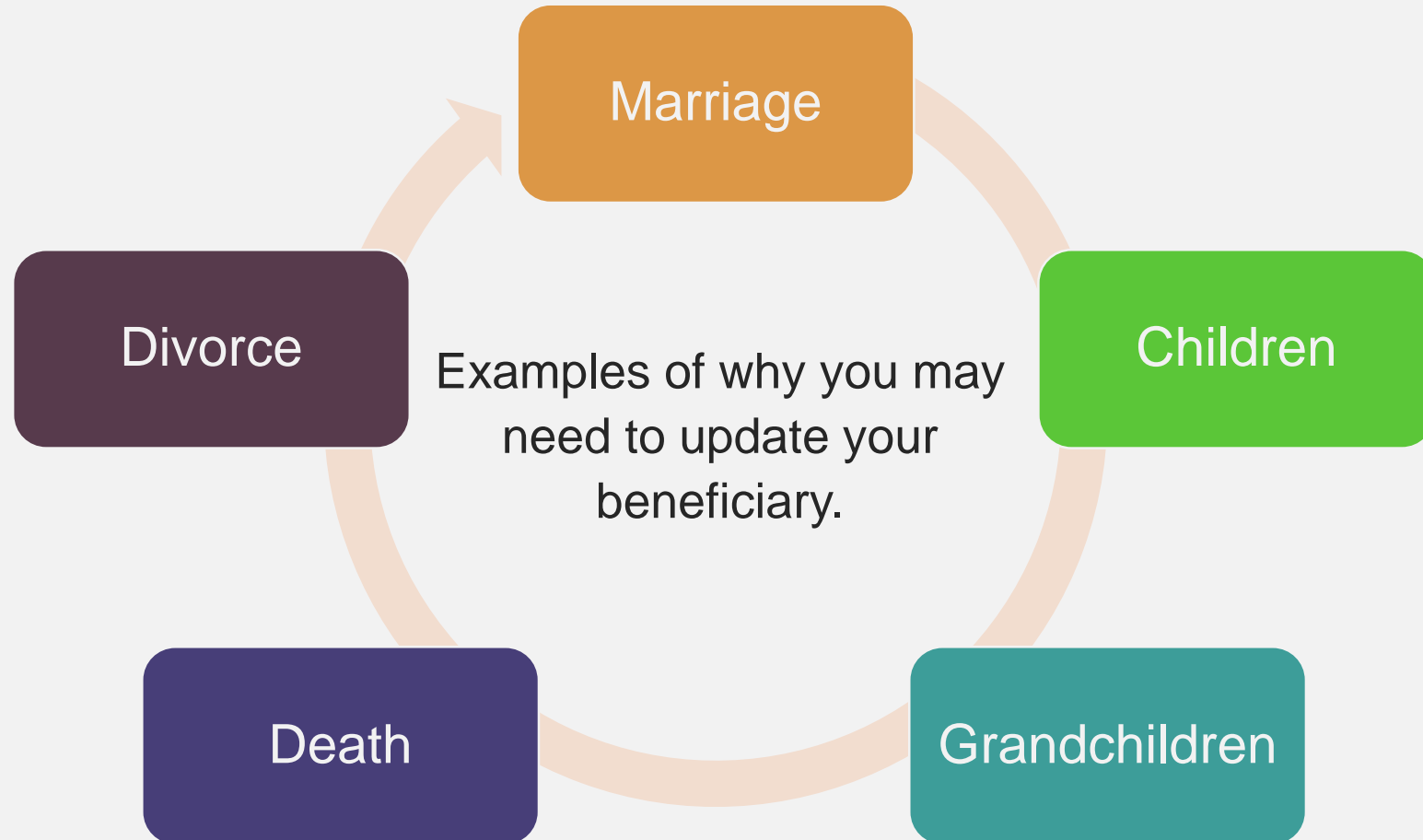
Pick up tonight or print from our website:  
[etf.wi.gov/publications.htm](http://etf.wi.gov/publications.htm)

# Standard Sequence





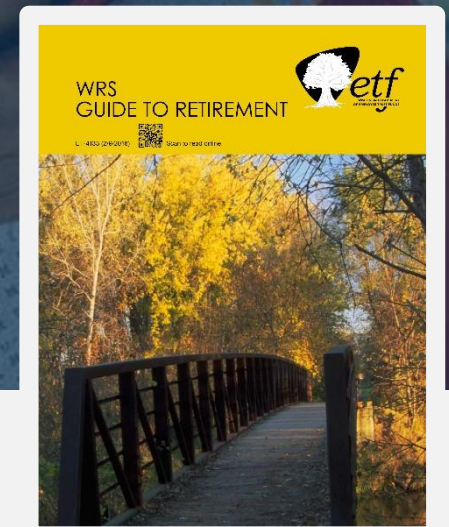
# Update Your Beneficiaries!





# Eligibility & Benefits

| Pre-Retirement | **Applying** | Retired |





# Eligibility – Must Have All 3

Met minimum  
retirement age  
(50/55)



Vested in  
WRS

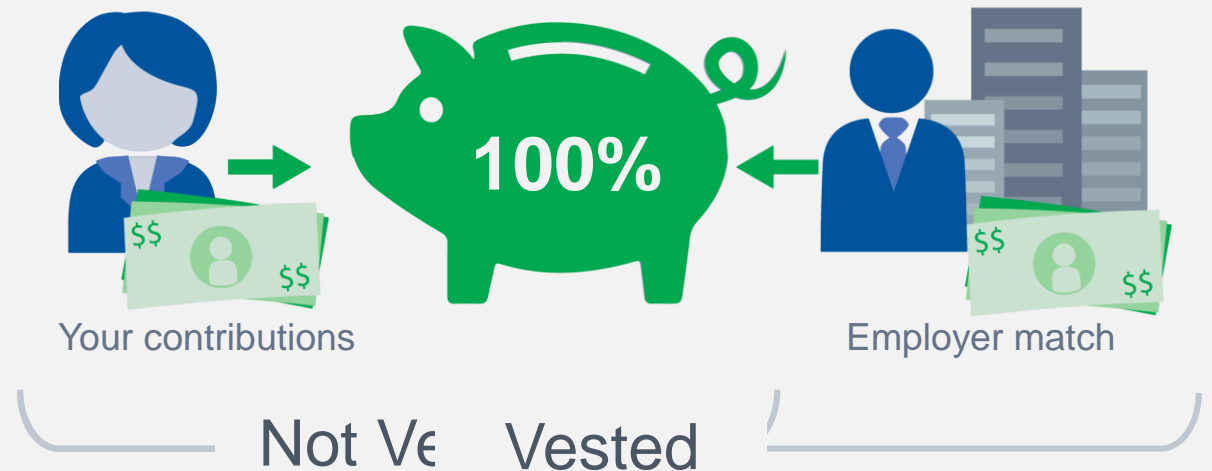
Terminated ALL  
WRS employment

# 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 accrued 5 years of creditable service



# Calculating Your Benefit

We compare two calculations:

## Money Purchase

- Account balance
- Age

vs.

## Formula

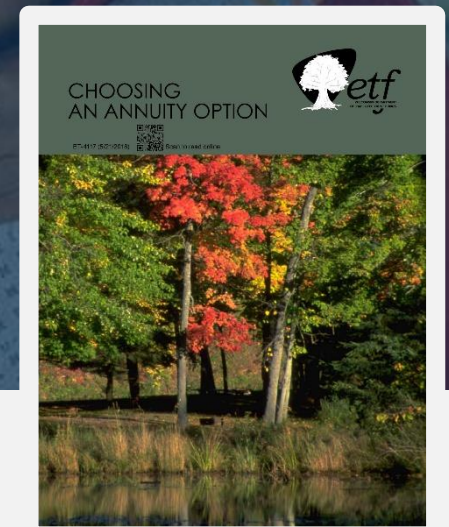
- Years of service
- 3 highest years of earnings
- Category
- Age

You get paid  
the higher of  
the 2



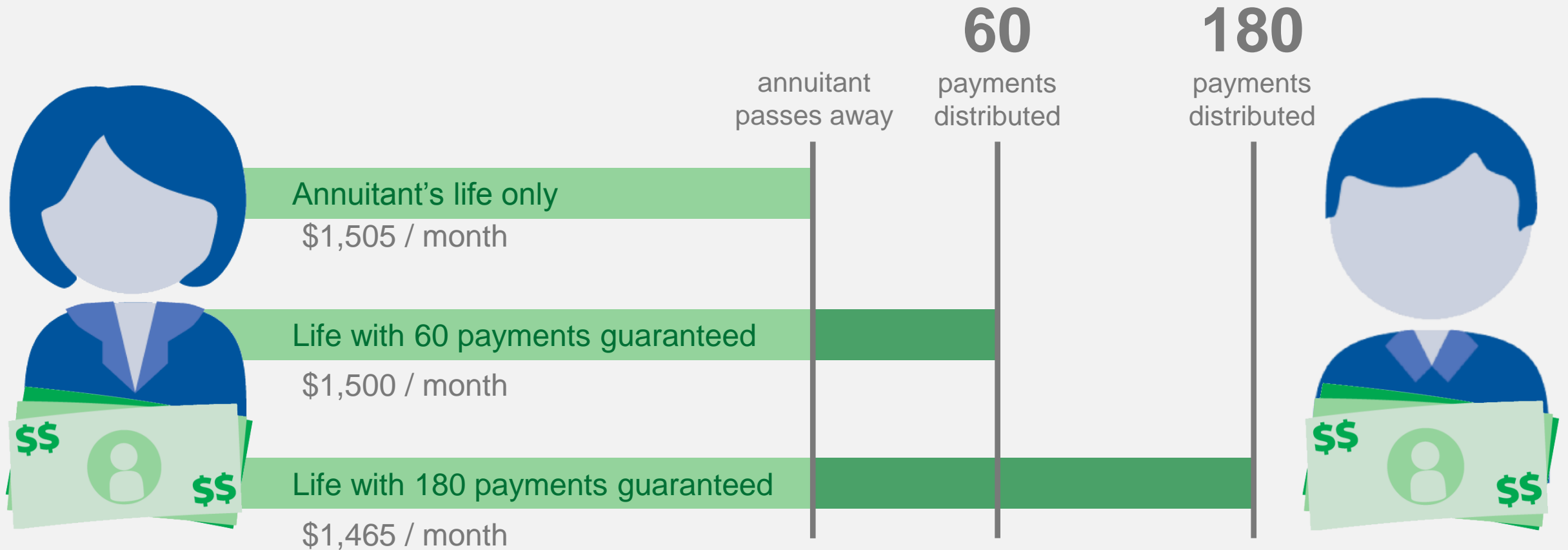
# Annuity Options

| Pre-Retirement | **Applying** | Retired |

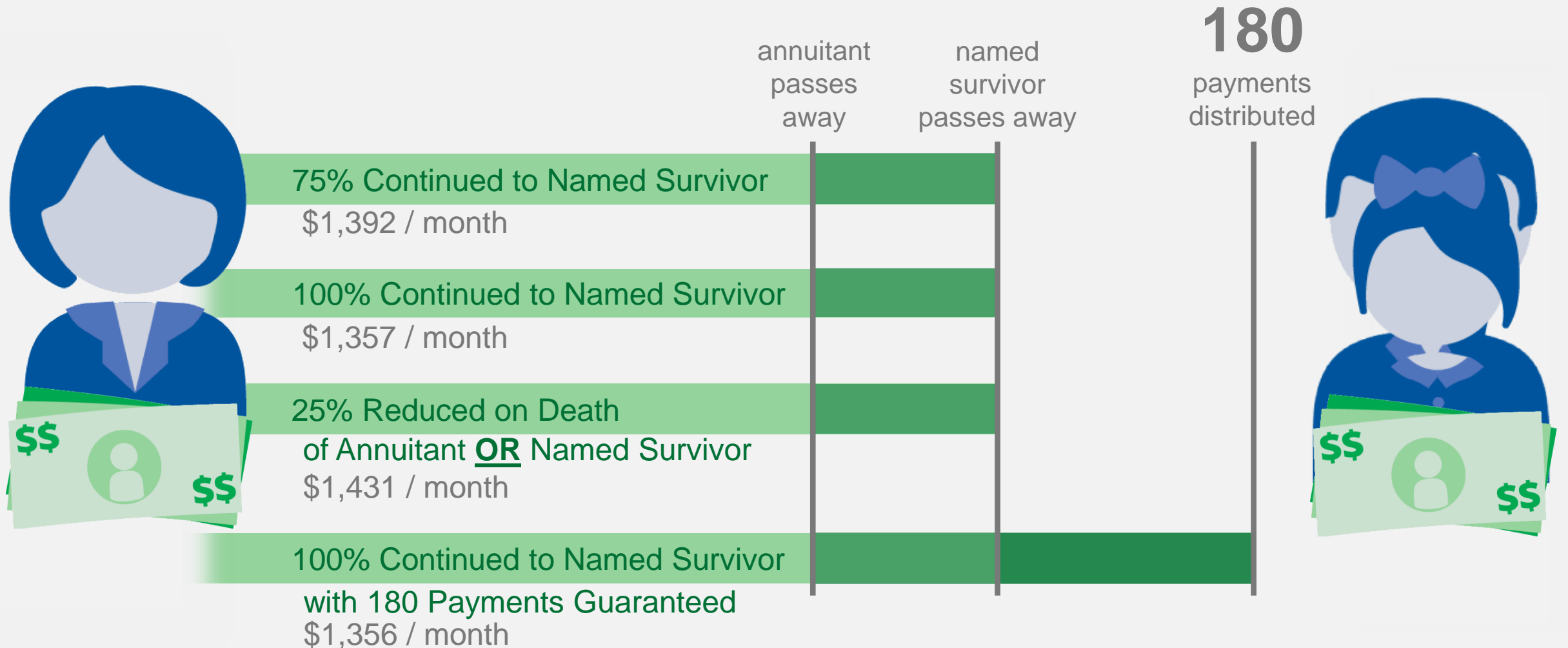




# Annuity Options

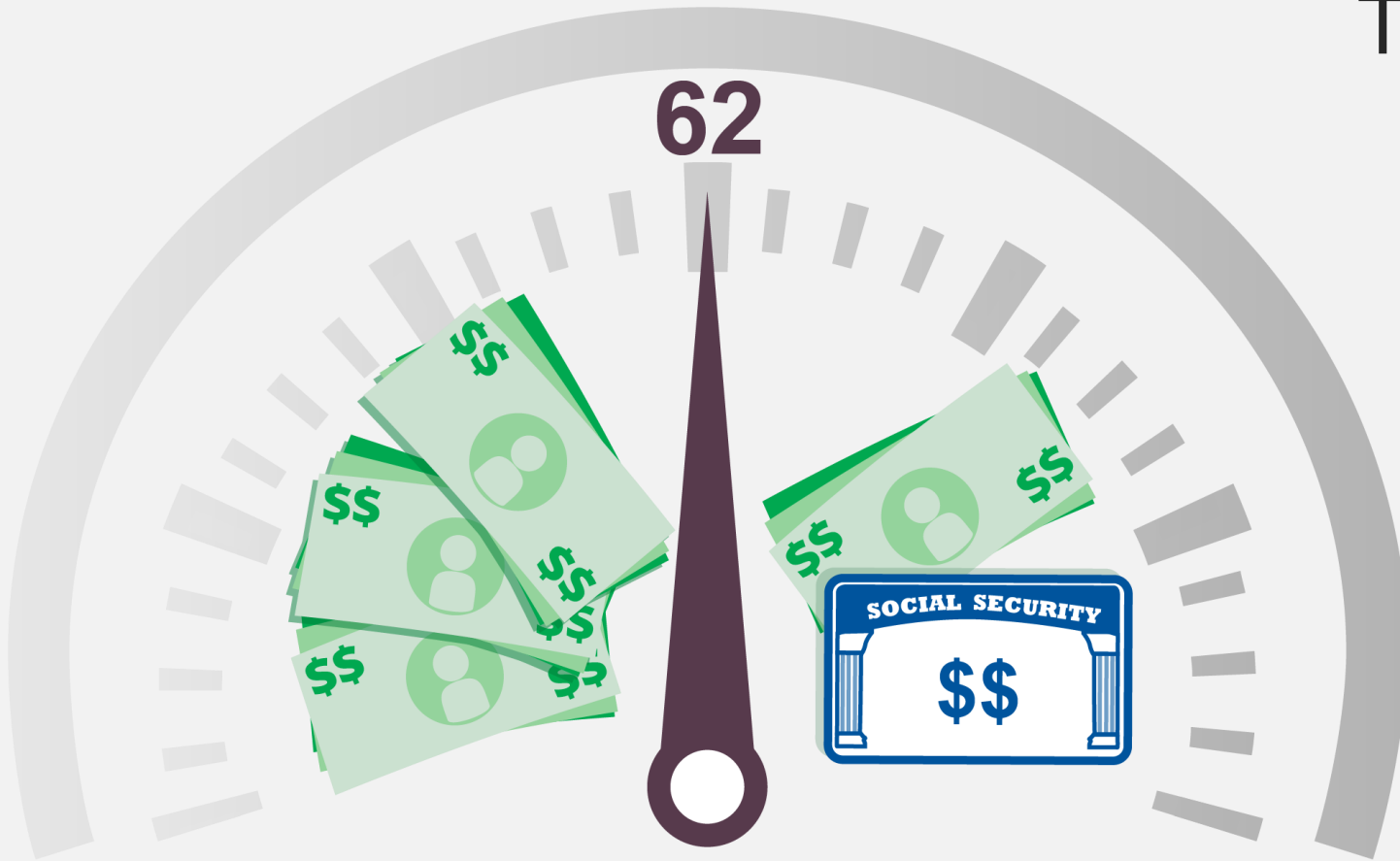


# Joint & Survivor Annuity Options

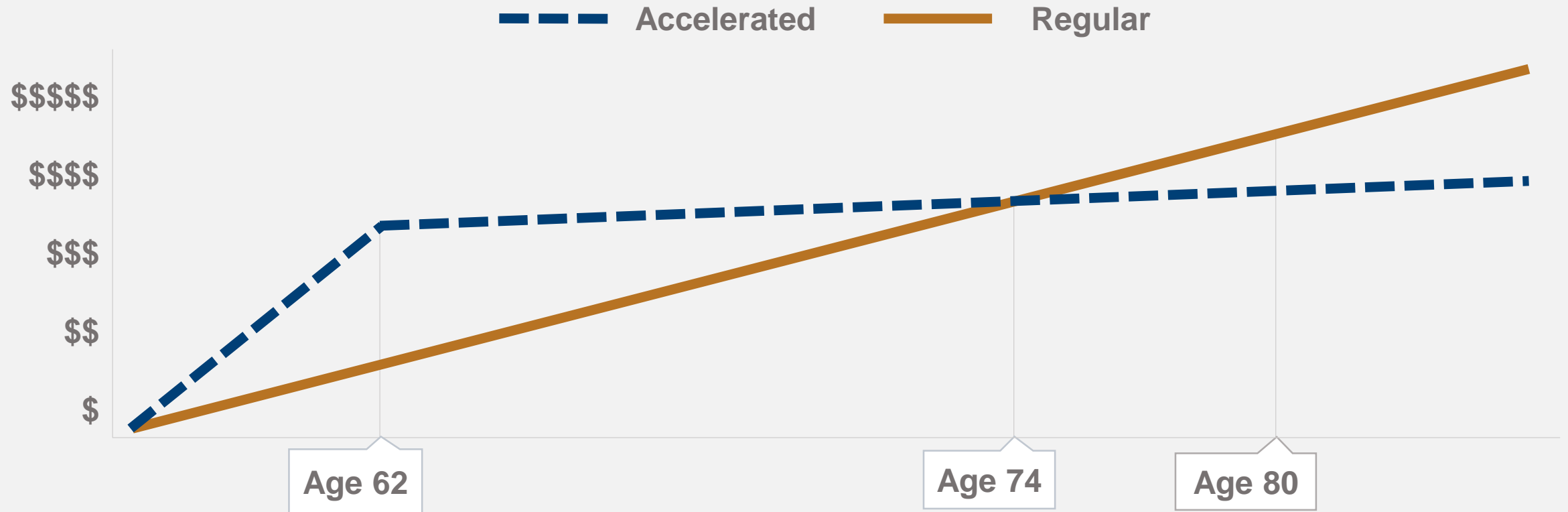


# Retiring Before 62?

There are accelerated payment options



# Accelerated Payments





# Adjustments to Your Annuity

Your monthly payment may be adjusted annually based on investment performance

- Adjusted May 1<sup>st</sup> Payment
- Gains and/or losses determine the adjustment
  - Core Fund: Guaranteed base payment. It can't go below that
  - Variable Fund: No guaranteed base payment. Can go below where you start



# Applying for Retirement

**1** Call or go online for estimate/application packet.

6-12 months prior



**2** Review and contact ETF with questions or to schedule an appointment.

Individual, Group, Online

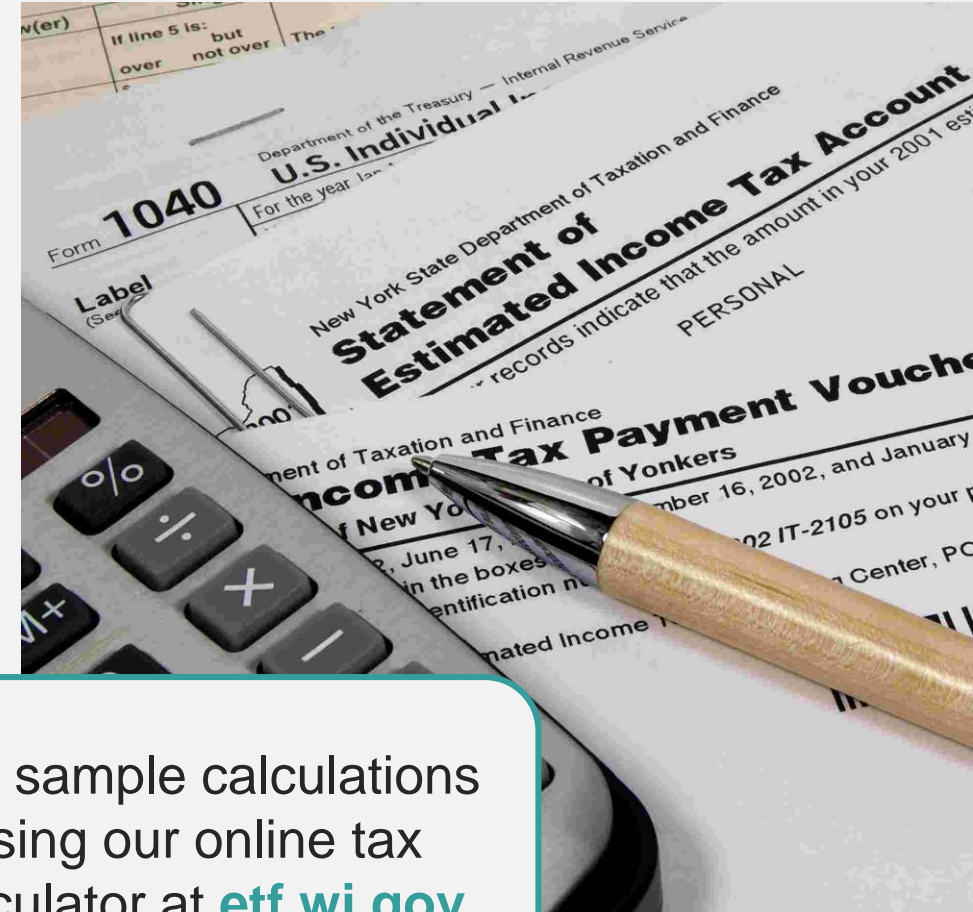


**3** Submit application.

No earlier than 90 days prior

# Annuity & Taxes

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



Run sample calculations using our online tax calculator at [etf.wi.gov](http://etf.wi.gov)

# Returning to Work



At termination: no future employment agreement with a WRS employer



Valid employment termination & 75-day separation



2/3 of full-time: “full-time” depends upon your employment category





# Health and Life Insurance

| Pre-Retirement | Applying | **Retired** |

# Wisconsin Public Employers Group Life Insurance



**Automatic  
continuation**



**Premiums  
deducted  
from annuity**  
until age 65

# Health Insurance

1

## Find out if your employer participates

Ask your employer if they participate in the **State Group Health Insurance Program** or **Wisconsin Public Employers Group**.

2

## Get to know your health insurance costs

What you pay for health insurance will likely go up. You may become responsible for the entire premium.

3

## Learn about qualifying life events

If you want to change your plan, you will receive a decision guide in the mail during open enrollment. Retirement is not a qualifying life event.



# Health Insurance

automatic continuation

allowed to re-enroll



**State & UW**



**Local with**

coverage through Group Health Insurance



file verification of coverage with employer

file health insurance application



**Local without**

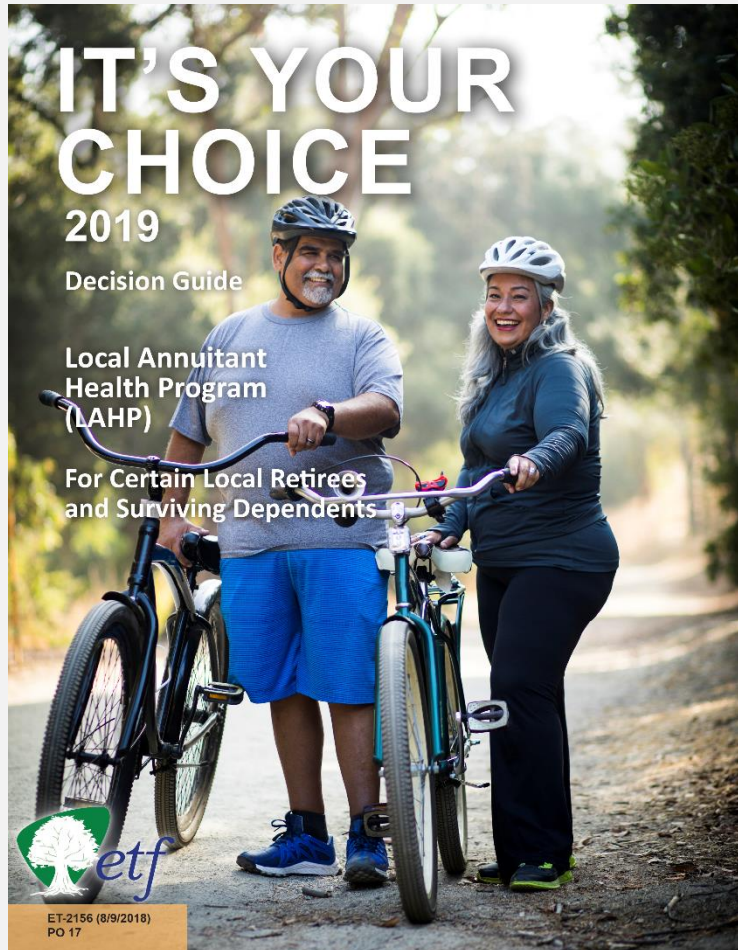
coverage through Group Health Insurance



may be eligible for LAHP

# Local Annuitant Health Plan

Local without State Group Health Insurance Program



# 1

## Open Enrollment

Apply within 60 days of retirement

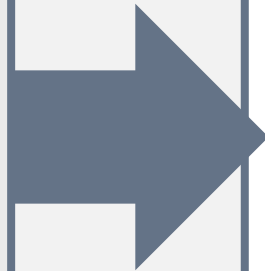
# 2

## Second Enrollment

When you become eligible for Medicare

- ✓ Local Retirees
- ✓ Spouses
- ✓ Dependents

# Medicare





# Sick Leave Credits

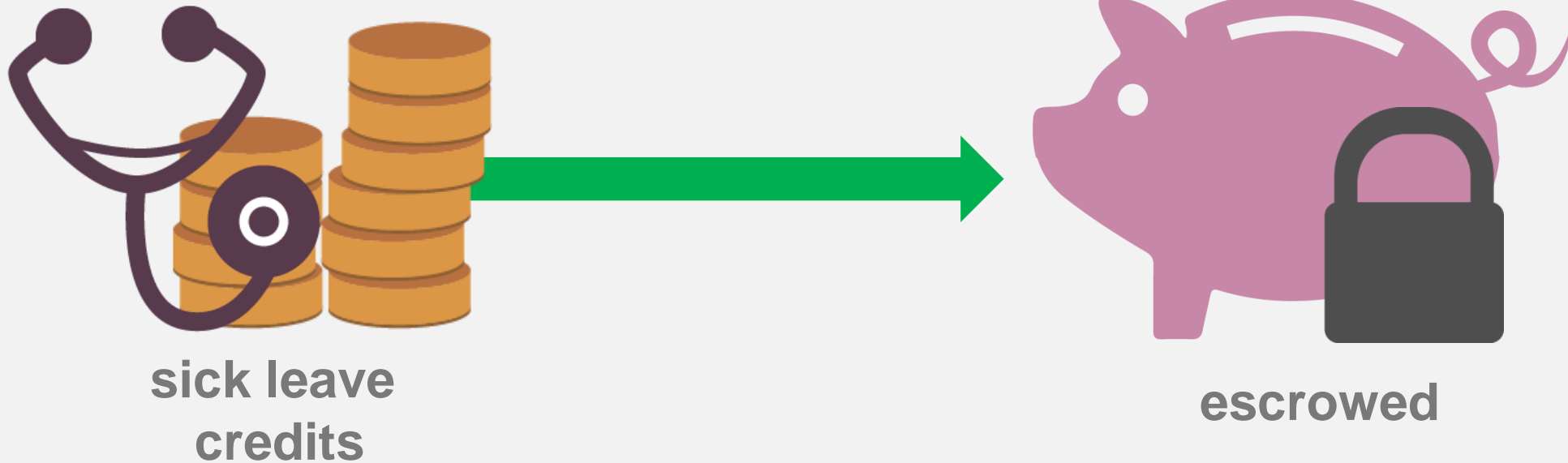
State & UW



\* may be eligible for additional sick leave credits based on service

# Escrowing Sick Leave

to escrow your sick leave credits for use at a later date

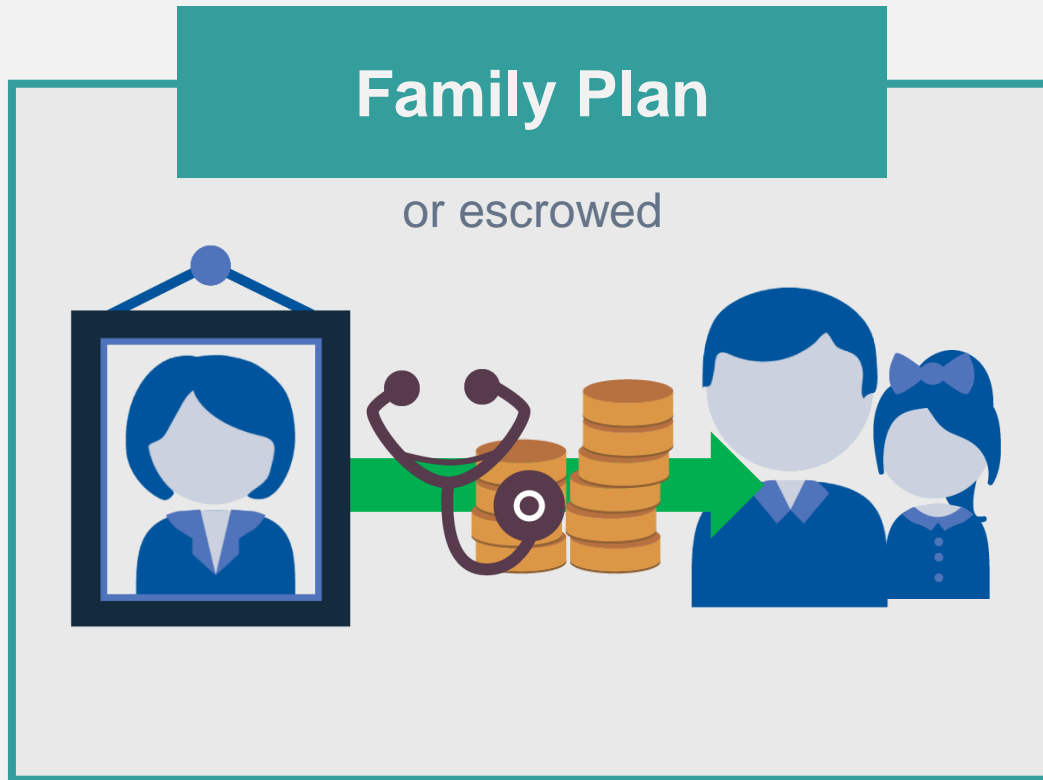


# Group Health Insurance

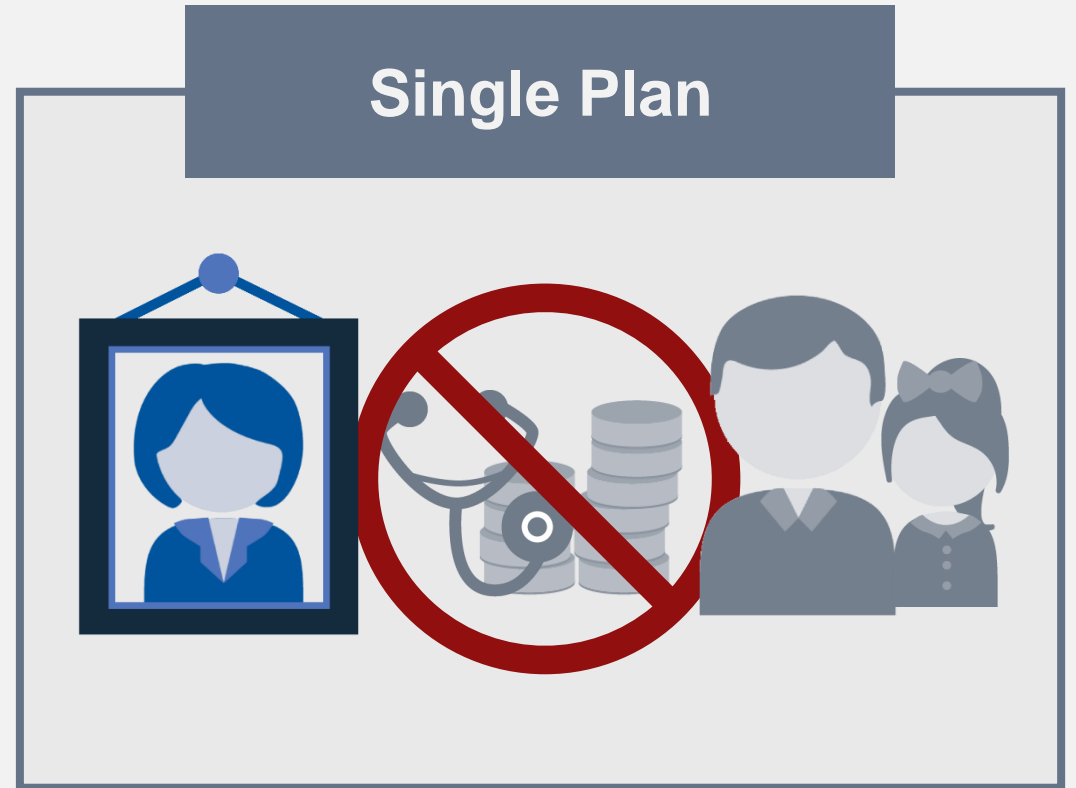
State & UW

## Family Plan

or escrowed

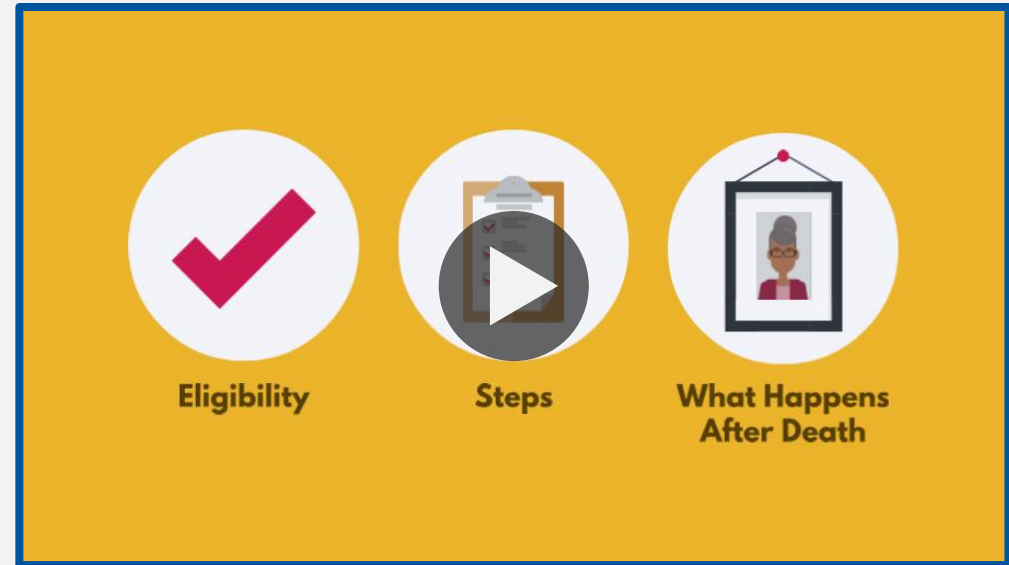


## Single Plan



# Learn More About Your Sick Leave Credits and Eligibility in Retirement

1. Watch our new video series on Accumulated Sick Leave
2. Contact your employer to learn more about your eligibility



Look for **Accumulated Sick Leave** under the **Member Education** section at [etf.wi.gov](https://etf.wi.gov)

# Learn More About Your Health Benefits in Retirement

Our 5 part video series covers:

1. Retiree health benefits under the WRS
2. How to pay for your health benefits
3. Which supplemental benefits are available
4. How Medicare affects your health benefits
5. Accessing your health coverage out-of-state

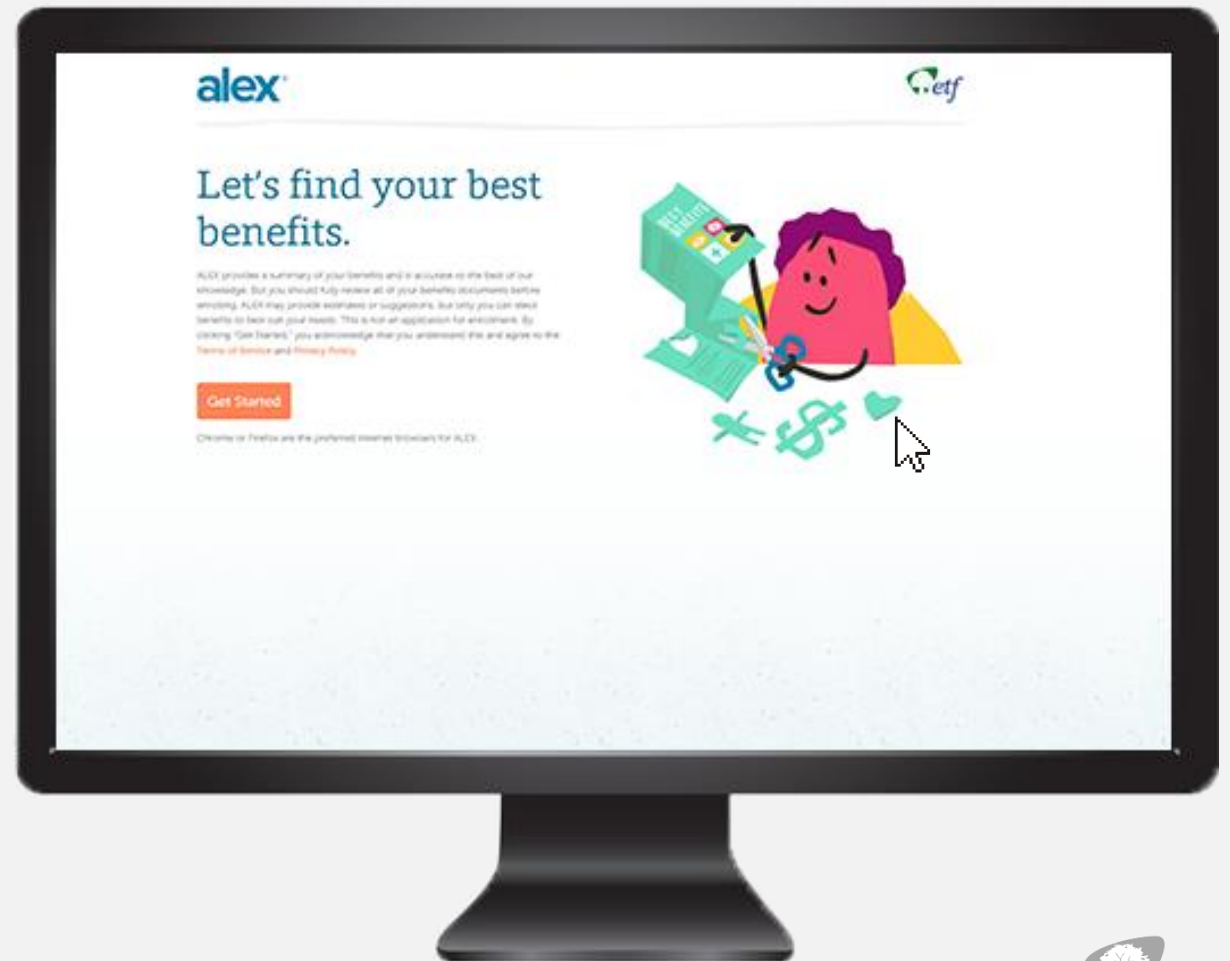


Look for **Health Benefits in Retirement** under the **Member Education** section at [etf.wi.gov](https://etf.wi.gov)

# ALEX

for state, UWHC and pre-Medicare retirees

Visit [etf.wi.gov](http://etf.wi.gov) to try the new virtual benefits counselor and learn more about your health benefits in retirement



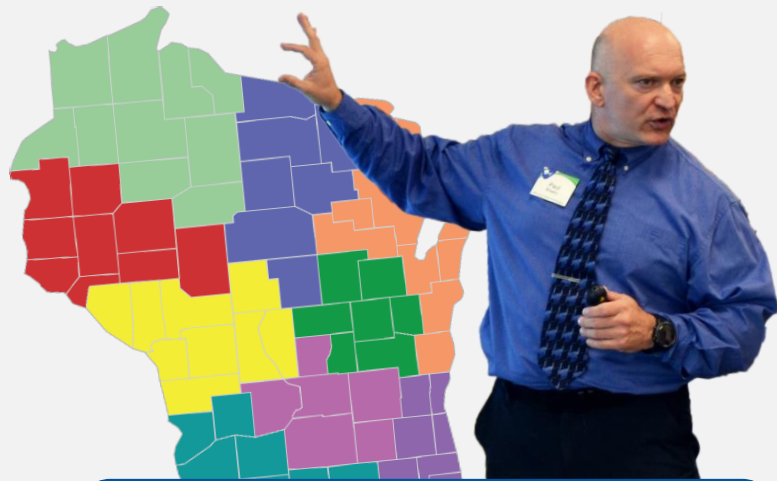




## To Do:

- Minimum retirement age? Call or go online for an estimate.
- Keep your beneficiary designation up to date.
- Consider additional contributions and other savings to supplement your retirement.

# Other ways to learn...



## Face-to-Face

- regular visits statewide
- daytime group retirement appointments - retirement packet required
- Individual appointments



## eLearning

- live interactive webinars
- educational video series
- follow us on Twitter @WI\_ETF
- get email updates



## Brochures

- grab a brochure to learn about other topics that weren't covered today
- more specific and in-depth brochures available online

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# Questions?

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ETF E-mail Updates



608-266-3285  
1-877-533-5020