

Understanding Your Annual WRS Statement of Benefits



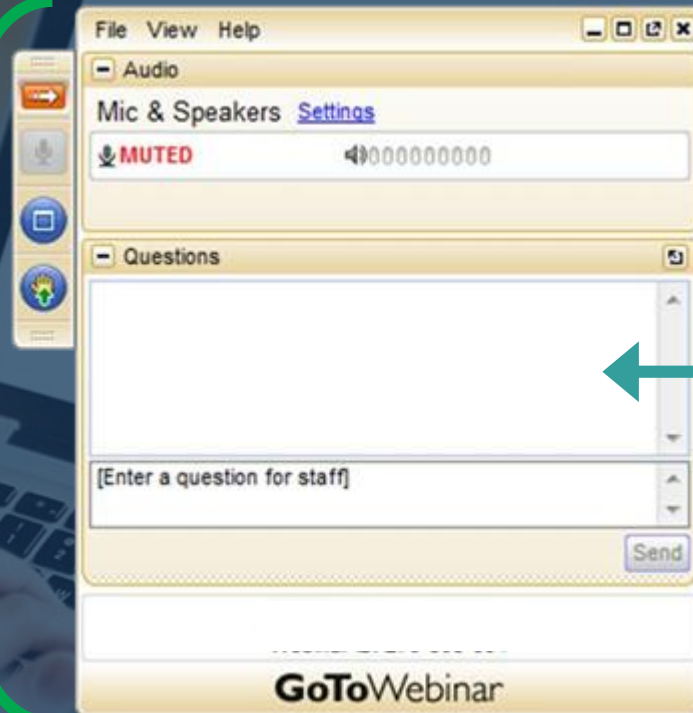
Lynn Erickson
Presenter



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:

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Ask questions here.

Questions are answered at the end of the presentation.

You will be muted for the entire webinar.

Webinar Agenda


- What is the purpose of the ET-7365 Annual Statement of Benefits
- Annual Statement of Benefits sections, step by step
- Money Purchase and Formula benefit calculations
 - (How Statement of Benefits data will affect retirement benefit)
- Helpful resources available at the ETF website

ANNUAL STATEMENT OF BENEFITS

READ ME! 

If you believe an error has been made, contact your employer's payroll office. Your employer will report any needed corrections to ETF. If your employer is unable to resolve your concerns, send your request in writing to: Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

EMPLOYEE TRUST FUNDS - DEPT OF
PO BOX 7931
MADISON, WI 53707-7931



Department of Employee Trust Funds (ETF)
Wisconsin Retirement System (WRS)
IRS Codes: 401(a) and 403(b)
Toll Free 1-877-533-6020
or 608-266-3285 local Madison

January 1, 2018 Annual Statement of Benefits

Please review this document carefully. The amounts shown reflect ETF records as of January 1, 2018 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.wis.gov for more information.

Member ID: 12345678

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

Section 1 - 2017 Earnings and Service
The earnings and service below were reported by your WRS employer for calendar year 2017. 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	2017	\$51,672.84	1.00

Section 2 - Years of Creditable Service as of January 1, 2018
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 1990	After Act 10	Total Service
General	.00	2.97	.00	2.97

Section 3 - 2017 Employee Required Contributions

	Core	Variable	Total
January 1, 2017 Balance	\$5,699.41		\$5,699.41
Interest (Core: 8.5%)	\$484.45		\$484.45
Employee Paid Contributions	\$3,513.82		\$3,513.82
Employer Paid Employee Contributions	\$1.00		\$1.00
Adjustment	\$1.00		\$1.00
January 1, 2018 Balance	\$9,697.68		\$9,697.68

Non-taxable portion of employee contributions (investment in contract): \$1.00

Continued on Back

ET-7365 (Rev 04/2018)  etf.wis.gov

Section 4 - Additional Contributions

	Employee Additional		Tax-Deferred		Employee Additional/LTDI	
	Core	Variable	Core	Variable	Core	Variable
January 1, 2017 Balance						
Interest						
Contributions						
Adjustment						
January 1, 2018 Balance						

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

Section 5 - Primary Beneficiary Designation(s) for WRS Required Account
RECEIVED 01/08/18

Section 6 - Separation Benefit
Since you do not meet vesting requirements, you are currently only eligible for a separation benefit. \$9,697.68

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:	\$19,395.36		\$9,697.68
Additional Contributions:	\$1.00		\$1.00
Total:	\$19,395.36		\$9,697.68

Section 8 - Formula Benefit Data
Three Highest Years of Earnings as of January 1, 2018

Year	Earnings	Service	Variable Excess/Deficiency
2017	\$51,672.84	1.00	Employee \$1.00
2016	\$44,564.85	1.00	Employer \$1.00
2015	\$37,590.72	.97	Total \$1.00

\$3,755 Final Average Monthly Earnings

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

	Core	Variable	Total
Employee Required Contributions	\$9,697.68		\$9,697.68
Matching Employer Contributions	\$9,697.68		\$9,697.68
Total:	\$19,395.36		\$19,395.36

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

- Age at retirement
- Account balance at retirement
- Employee Contributions
- Employer Matching Contributions
- Accumulated Interest

Formula Benefit

- Age at retirement
- Final average monthly earnings
- Employment category(ies)
- 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).

You are not eligible for a retirement benefit until you are vested - See Separation above.

* These unofficial amounts do not reflect future benefits. They are based on your account balances as of January 1, 2018. To project future retirement benefits using this statement, visit the Retirement Calculator at etf.wis.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.

etf.wis.gov

Statement of Benefits ET-7365 – Top of Statement

Employer Name
& Address

Your Name
& Address



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

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

Toll Free 1-877-533-5020
or 608-266-3285 local Madison

January 1, 2019 Annual Statement of Benefits

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Keep this document with your important personal records. Go to etf.wi.gov for more information.

Alternate Payee

Member ID: 12345678

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

Approaching
Retirement?



Section 1

Earnings and Service reported from the previous year.

Earnings are reported on either a **calendar** year or **fiscal** year basis
(fiscal years are hyphenated)

CALENDAR

Section 1 - 2018 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.			
<u>Category</u>	<u>Year</u>	<u>Earnings</u>	<u>Years of Service</u>
General	2018	\$54,795.20	1.00

FISCAL

Section 1 - 2018 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.			
<u>Category</u>	<u>Year</u>	<u>Earnings</u>	<u>Years of Service</u>
Teacher	2017-18	\$60,165.99	1.00
Teacher	7/1 TO 12/31/18	\$23,547.42	.68

Years of service are reported by the employer in hours

SECTION 2

TOTAL Years of Creditable Service

Total Years of Creditable Service broken down into three types: Before 2000, After 1999 and After Act 10

Section 2 - Years of Creditable Service as of January 1, 2019
 Years of service for teachers, judges and educational support personnel are based on fiscal years. This statement shows both fiscal and calendar year service.

<u>Category</u>	<u>Before 2000</u>	<u>After 1999</u>	<u>After Act 10</u>	<u>Total Service</u>
General	1.83	17.96	.00	19.79
Total Years of Creditable Service	<u>1.83</u>	<u>17.96</u>	<u>.00</u>	<u>19.79</u>

If Years of Creditable Service have been transferred (lost) due to a Divorce/ QDRO

Total Years of Creditable Service	20.00	14.85	.00	34.85
Amount of service transferred from your account as the result of a Qualified Domestic Relations Order (QDRO):				2.31

SECTION 3

Employee Required Contributions

- Cumulative Employee-Required Contributions – made as a percent of WRS reportable earnings; balances by investment fund
- Interest for calendar year – investment performance

Section 3 - 2018 Employee-Required Contributions

	<u>Core</u>	<u>Variable</u>	<u>Total</u>
January 1, 2018 Balance	\$70,738.30		\$70,738.30
Interest (Core: 5.0%)	\$3,536.92		\$3,536.92
Employee-Paid Contributions	\$3,679.57		\$3,679.57
Employer-Paid Employee Contributions Adjustment	\$.00		\$.00
January 1, 2019 Balance	<u>\$77,954.79</u>	<u> </u>	<u>\$77,954.79</u>

Non-taxable portion of employee contributions (investment in contract):	\$204.12
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SECTION 4

Additional Contributions

- Additional Contributions can be deposited by either the employee or the employer; always receive the effective rate of interest
- Cannot be withdrawn until you leave all WRS employment

Section 4 - Additional Contributions						
	<u>Employee Additional</u>		<u>Tax-Deferred</u>		<u>Employer Additional/LTDI</u>	
	<u>Core</u>	<u>Variable</u>	<u>Core</u>	<u>Variable</u>	<u>Core</u>	<u>Variable</u>
January 1, 2018 Balance	\$3,150.88					
Interest (Core: 5.0%)	\$157.54					
Contributions	\$1,000.00					
Adjustment	\$.00					
January 1, 2019 Balance	\$4,308.42					
Non-taxable portion of employee contributions (investment in contract):					\$3,610.00	

SECTION 5

Primary Beneficiary Designation(s)

Primary noted if filed
since 1988



Section 5 - Primary Beneficiary Designation(s) for WRS Required Account
RECEIVED 09/28/15
John Doe
Jane Doe

Filed BEFORE 1988
OR
NONE on file



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.

ON FILE!
But can't be displayed



Section 5 - Primary Beneficiary Designation(s) for WRS Required Account
RECEIVED 10/25/94
Because of the format of your designation, it is not displayed here. The format was acceptable and has been placed in your file.

SECTION 6

Separation Benefit

Separation Benefit: Account taken before minimum retirement age, only Employee Contributions account

Vesting: New law effective July 1, 2011

Under Minimum Retirement Age



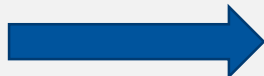
Section 6 - Separation Benefit	
Benefit payable prior to age 55.	\$39,584.92

Over Minimum Retirement Age, Not Vested



Section 6 - Separation Benefit	
Since you do not meet vesting requirements, you are currently only eligible for a separation benefit.	\$16,420.77

Over Minimum Retirement Age, Is Vested



Section 6 - Separation Benefit	
Since you are vested and over minimum retirement age, you are not eligible for a separation benefit.	

SECTION 7

Death Benefit

- Once you are an annuitant, these estimated death benefits are no longer valid
- Death Benefit – “Active” column is Money Purchase Balance; “Inactive” column is Employee Contributions Account
- An active employee’s death benefit is paid to beneficiaries regardless of vesting status

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 benefit 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.

	<u>Active</u>	OR	<u>Inactive</u>
Required Contributions:	\$142,567.12		\$71,283.52
Additional Contributions:	<u>\$.00</u>		<u>\$.00</u>
Total:	\$142,567.12		\$71,283.52

SECTION 8

Formula Benefit Data

Final Average Earnings (FAE) and Variable Excess/Deficiency used for Formula calculation for retirement benefit

Section 8 - Formula Benefit Data

Three Highest Years of Earnings as of January 1, 2019

<u>Year</u>	<u>Earnings</u>	<u>Service</u>
2018	\$63,385.70	1.00
2017	\$58,699.00	1.00
2016	\$54,885.00	1.00

\$4,915 Final Average Monthly Earnings

Variable Excess/Deficiency

Employee	\$747.72
Employer	\$747.72
Total	<u>\$1,495.44</u>

SECTION 9

MONEY PURCHASE BALANCE

Total account balance. Employee AND Employer contributions and interest

Section 9 - Money Purchase Balance

Total required employee and matching employer contributions, including interest.

	<u>Core</u>	<u>Variable</u>	<u>Total</u>
Employee-Required Contributions	\$77,954.79		\$77,954.79
Matching Employer Contributions	\$77,954.73		\$77,954.73
Total:	\$155,909.52		\$155,909.52

SECTION 10

Retirement Benefit Projections

- Projections are unofficial and DO NOT reflect future benefits – for general information only
- If no amounts shown, you may currently be restricted to a lump sum benefit

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

- Age at retirement
- Account balance at retirement
 - Employee Contributions
 - Employer Matching Contributions
 - Accumulated Interest

Formula Benefit

- Age at retirement
- Final average monthly earnings
- Employment category(ies)
- 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
Monthly Money Purchase Benefit	\$932 *	\$1,122 *
Monthly Formula Benefit	\$1,242 *	\$1,479 *

- * These unofficial amounts do not reflect future benefits. They are based on your account balances as of January 1, 2018. To project future retirement benefits using this statement, **visit the Retirement Calculator at 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.

Related Resources

- [Statement of Benefits Section of the ETF Website](#)
- [Interactive Statement of Benefits](#)
- [Frequently Asked Questions](#)
- [Explanation of Annual Statement of Benefits](#)

Face-to-Face Events

- Regular visits statewide
- Daytime group retirement appointments
 - Retirement packet required
 - Appointment required
- Evening benefits presentations
 - New and mid-career employees
 - Nearing retirement
- Visit etf.wi.gov/member_education.htm and click **Face-to-Face** to learn more.



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



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ETF E-mail Updates



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