





Your WRS Benefits



Department of Employee Trust Funds (ETF)

- ETF administers 11 benefit programs, including the WRS, health insurance, life insurance, disability benefits
- Approx. \$92-billion in assets, as of 01/01/2016; paid out over \$4.5-billion in benefits during 2015
- About 1,500 WRS employers, 596,019 members





WRS Participation Requirements

Required hours for 1.00 WRS year
Non-Teachers-1904 Teachers-1320

Effective as of 7/1/2011

- Two-thirds of full time to be enrolled in WRS

Non-teachers = 1200 hours
Teachers, school district educational support* = 880 hours

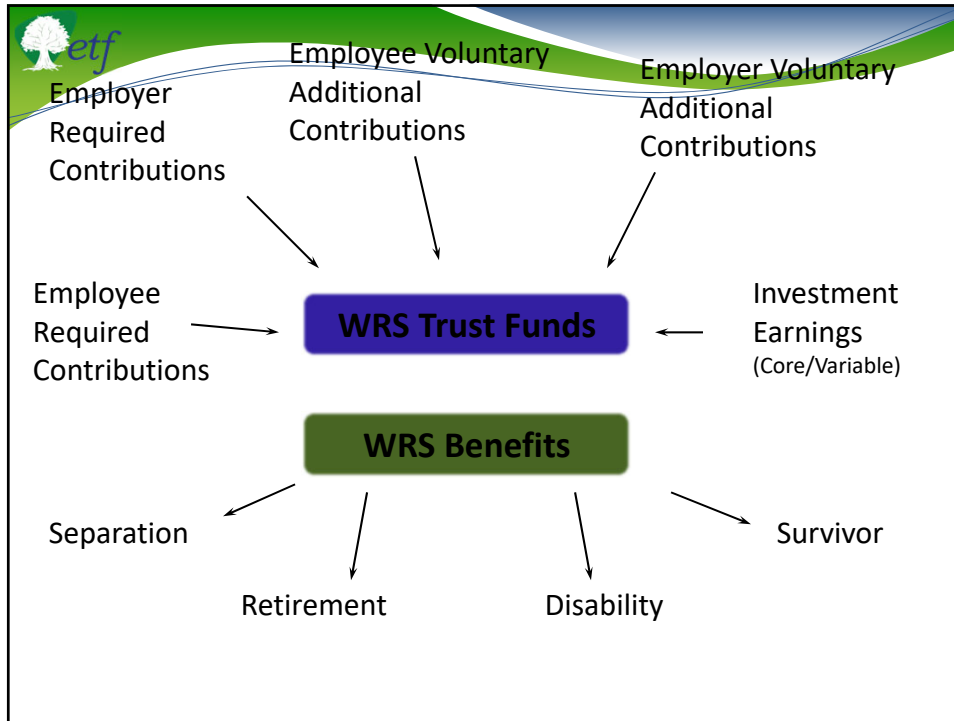
- Expected to be employed at least one year



WRS Vesting Requirements


- Employees starting on or after July 1, 2011
- Must accrue five years of creditable service
(Note that if a part-time employee this will take longer than five years)
- WRS employees enrolled prior to July 1, 2011 remain vested regardless of part-time or full-time status






Contribution Rates

(2016)




	EE	ER
General/Teacher	6.60%	6.60%
Protective with Soc. Sec.	6.60%	9.40%
Protective without Soc. Sec.	6.60%	13.2%
Elected Officials/Executive PP	7.80%	7.80%




Additional Contributions

- Voluntary, after-tax, additional contributions to supplement retirement benefits
- Can be used for creditable service purchases
- Payroll deduction or direct contributions
- Deposited Core or Core/Variable



Separation Benefits

- Terminate all WRS employment prior to minimum retirement age or prior to meeting vesting requirement
- Employer required contributions and accumulated interest are forfeited – account is closed
- Taxed as ordinary income
- Early distribution penalties may apply






The slide features a green and white decorative header with the 'etf' logo on the left. The title 'Retirement Benefit Eligibility' is centered in a large, black, sans-serif font. Below the title is a bulleted list of three requirements for retirement benefit eligibility. In the bottom right corner, there is a small image of a gold pocket watch resting on a document that says 'Congratulations on the best in the year of Retirement'.



- Terminate all WRS employment
- Vested in the WRS
- At least minimum retirement age (55/50)






WRS Retirement Benefits

- WRS pays higher of:
 - Money Purchase Calculation
 - or
 - Formula Calculation
- Annuity/Lump Sum availability is restricted
- \$190 - \$388 (2016)


Money Purchase Calculation

Money Purchase balance at retirement		\$267,318.00
Money Purchase factor - age 56 years, 4 months	X	<u>0.00563</u>
“For Annuitant’s Life Only” annuity option		\$1,505


 **Formula Calculation**

Final Average Earnings (Monthly)	\$ _____	
Formula Factors*	Pre-2000 _____	Post-1999 _____
WRS Creditable Service	_____	_____
Age Reduction Factor*	_____	
Subtotal	\$ _____ **	
Variable Participation	+ _____	
“For Annuitant’s Life Only” Option	\$ _____	

* General/Teacher category ** Subject to formula maximum


 **Formula Calculation – Final Average Earnings**

Full-Time Employee		
2014	\$43,915	1.00 year
2013	\$43,915	1.00 year
2011	<u>\$43,654</u>	<u>1.00 year</u>



$\$131,484 \div 3.00 \text{ years} \div 12 \text{ months} = \$3,652$

Required hours for 1.00 WRS year:
Non-Teachers-1904 Teachers-1320




Formula Calculation – Final Average Earnings


Part-Time Employee

2013	\$25,000	.81 year
2012	\$25,400	.75 year
2011	<u>\$26,600</u>	<u>.79 year</u>

$\$77,000 \div 2.35 \text{ years} \div 12 \text{ months} = \$2,731$


Required hours for 1.00 WRS year:
 Non-Teachers-1904 Teachers-1320








Formula Calculation – Formula Multipliers

	Creditable Service	
	<u>Before 2000</u>	<u>After 1999</u>
● Teacher/General	.01765	.016
● Protective -	.02165	.020
With Social Security		
● Protective -	.02665	.025
W/O Social Security		
● Elected/Executive	.02165	.020
*For terms beginning after 6/29/11		* (.016)



Formula Calculation – Creditable Service

- Years of reported WRS employment
- Active military service
- Purchased creditable service
 - Qualifying
 - Forfeited
 - Other Governmental Service



Military Service


- Active duty prior to January 1, 1974
 - Submit copy of discharge papers NOW!
 - Military service affidavit required
- Continuous Service / USERRA



Forfeited and Qualifying Service

- Forfeited Service: If WRS separation benefit taken, forfeited creditable service can begin to be purchased upon return to WRS employment and completion of three complete, continuous years of service.
- Qualifying Service: Six-month qualifying period for non-teaching positions before January 1, 1973


(ETF must receive application before WRS termination)



Formula Calculation – Retirement Age



Normal Retirement Age

• General/Teacher	65
• Elected/ Executive	62
• Protective Occupation- less than 25 years	54
• Protective Occupation- 25 years or more	53



Formula Calculation – Age Reduction Factor


- A reduction in a WRS formula retirement benefit when an individual receives a retirement benefit before normal retirement age.
- Reduction is based on the individual's age and years of WRS creditable service.
 - 56 years 4 months
 - 23 years 10 months service
 - = .889

Formula Calculation – Maximum Benefit

* Based on Formula Factors before 01/01/00 and after 12/31/99


Category	Max %	Years of Creditable Service Range
General/Teacher	70%	39.66 - 43.75
Executive/Elected	70%	32.33 - 35.00*
Protective with Social Security	65%	30.02 - 32.50
Protective without Social Security	85%	31.89 - 34.00



Formula Calculation

Final Average Earnings (Monthly)	\$3,652	
Formula Factors*	Pre-2000 x 0.01765	Post-1999 x 0.016
WRS Creditable Service	x 13.35	x 10.47
Age Reduction Factor*	x 0.889	
Subtotal	\$1,308**	
Variable Participation		
"For Annuitant's Life Only" Option		


* General/Teacher category ** Subject to formula maximum




Formula Calculation – Variable adjustment

Variable Excess/Deficiency	
\$20,959	Total excess*
x <u>.00563</u>	Money purchase factor
\$118	Variable adjustment

* If deficiency, annuity is decreased






Formula Calculation

Final Average Earnings (Monthly)	\$3,652	
Formula Factors*	Pre-2000 x 0.01765	Post-1999 x 0.016
WRS Creditable Service	x 13.35	x 10.47
Age Reduction Factor*	x 0.889	
Subtotal	\$1,308**	
Variable Participation	+ 118	
“For Annuitant’s Life Only” Option	\$1,426	


* General/Teacher category ** Subject to formula maximum



Retirement Benefits


- Compare calculation examples:

Money Purchase Calculation	= \$1,505
Formula Calculation	= \$1,426
- Participant automatically receives the higher amount for their annuity




WRS Retirement Benefits

- An annuity is a Wisconsin Retirement System (WRS) benefit paid monthly
- WRS annuities are paid to participants for LIFE*




* except for an Additional Contribution annuity certain



Monthly Annuity Payment Options


☐ For Annuitant's Life Only	\$1,505
☐ Life w/60 Payments Guaranteed	\$1,500
☐ Life w/180 Payments Guaranteed	\$1,465
—————	
☐ 75% Continued to Named Survivor	\$1,392
☐ 100% Continued to Named Survivor	\$1,357
☐ Reduced 25% on Death of Annuitant or Named Survivor	\$1,431
☐ 100% Continued to Named Survivor with 180 Payments Guaranteed	\$1,356


 **Monthly Annuity Payment Options**

	Regular	Accelerated Payments	
		To Age 62*	After Age 62
<input type="checkbox"/> For Annuitant's Life Only	\$1,505	\$2,021	\$1,239
<input type="checkbox"/> Life with 60 Payments Guaranteed	\$1,500	\$2,018	\$1,236
<input type="checkbox"/> Life with 180 Payments Guaranteed	\$1,465	\$1,989	\$1,207
<hr/>			
<input type="checkbox"/> 75% Continued to Named Survivor	\$1,392	\$1,928	\$1,146
<input type="checkbox"/> 100% Continued to Named Survivor	\$1,357	\$1,900	\$1,118
<input type="checkbox"/> Reduced 25% on Death of Annuitant or Named Survivor	\$1,431	\$1,961	\$1,179
<input type="checkbox"/> 100% Continued to Named Survivor with 180 Payments Guaranteed	\$1,356	\$1,899	\$1,117


Estimated Social Security = \$782

*If annuitant dies before age 62, temporary annuity is paid until annuitant would have reached 62

 **Beneficiaries**





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



Standard Sequence

Group 1	Surviving Spouse or Domestic Partner
Group 2	Children (natural or legally adopted): If one of your children dies before you, that child's share is divided between the deceased child's children.
Group 3	Grandchildren
Group 4	Parent(s)
Group 5	Brother(s) and Sisters(s): If one of your siblings dies before you, that sibling's share is divided between the deceased sibling's children.
Group 6	Estate

ETF Beneficiary Designation

ET-2320

Wisconsin Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931
608-261-8000 (toll free)

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

Complete if applicable
Beneficiary of _____
Alternate Payee of _____

Do not submit to your employer Refer to instructions on reverse

Type or print in ink

Your name	First	Middle	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, Last)	Relationship	Birth date (MM/DD/YYYY)	SSN	Address (street, city, state, ZIP code)
PRIMARY					

In the event all primary beneficiary(ies) die before me, the death benefit shall be paid in equal shares, unless otherwise specified, to the following secondary beneficiary(ies) who survive me.

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

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

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


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. § 943.365 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	Signature (Do not print)	Date signed (MM/DD/YYYY)	DATE
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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.

ETF-2320 (REV 2/2015) etf.wi.gov



ETF Beneficiary Designation- Alternate ET-2321

WISCONSIN DEPARTMENT OF EMPLOYEE TRUST FUNDS
P.O. BOX 7931
Madison, Wisconsin 53707-7931
www.etf.wisc.gov
1-877-533-8233 (toll free)

BENEFICIARY DESIGNATION - ALTERNATE

Do Not Submit To Your Employer: REFER TO INSTRUCTIONS ON REVERSE


TYPE OR PRINT IN INK:		OFFICE USE ONLY	
YOUR NAME Last	First	Middle I	Initial
Address No. and Street		Your Birthdate (MM/DD/YYYY)	
City	State	Zip Code	Your Weekday Telephone No. (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 Last, First, Middle	Relationship	Birthdate (MM/DD/YYYY)	Soc. Sec. No.	Address Street, City, State, Zip
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:					
ALTERNATE PRIMARY	Name Last, First, Middle	Relationship	Birthdate (MM/DD/YYYY)	Soc. Sec. No.	Address Street, City, State, Zip
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:					
ALTERNATE PRIMARY	Name Last, First, Middle	Relationship	Birthdate (MM/DD/YYYY)	Soc. Sec. No.	Address Street, City, State, Zip
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:					
ALTERNATE PRIMARY	Name Last, First, Middle	Relationship	Birthdate (MM/DD/YYYY)	Soc. Sec. No.	Address Street, City, State, Zip

NOTE SIGN AND DATE AT THE BOTTOM OF THE NEXT PAGE. DO NOT DETACH PAGES OR ALTER THIS FORM. NOTE


ET-2321 (REV 2/2010)



Monthly Annuity Payment Options


- For Annuitant's Life Only
\$1,505
- Life w/60 Payments Guaranteed
\$1,500
- Life w/180 Payments Guaranteed
\$1,465

- 75% Continued to Named Survivor
\$1,392
- 100% Continued to Named Survivor
\$1,357
- Reduced 25% on Death of Annuitant or Named Survivor
\$1,431
- 100% Continued to Named Survivor with 180 Payments Guaranteed
\$1,356




How to Apply for Retirement Benefits

- Six to twelve months before anticipated retirement date, call/write for estimates/application packet
- Review, contact ETF with questions
- Submit application no earlier than 90 days before termination date



After Applying For Annuity

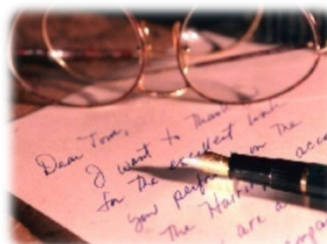
- Direct deposit of annuity is required
- Annuity Payment Statements mailed only when deposit amount changes





Changing Annuity Payment Option:


A written request must be received by the Department within 60 days after the date of your first payment.



Taxability of Annuity


- Taxable as ordinary income for federal and state taxes, minus monthly exclusion amount
- May change tax withholding status anytime
- Receive 1099R form each year in January for tax purposes





Post-Retirement Changes


- Investment results for prior year are reflected on May 1st annuity payment
- Core Adjustment:
First dividend prorated by number of full months retired in previous calendar year
- Variable Adjustment:
Full adjustment is applied if annuity is effective prior to January 1st of current calendar year




Post-Retirement Changes

Reflected on May 1st annuity payment, based on previous calendar investment performance



	Core Trust Fund <u>Adjustment</u>	Variable Trust Fund <u>Adjustment</u>
2014	+ 2.9%	+ 2.0%
2013	+ 4.7%	+ 25.0%
2012	- 9.6%	+ 9.0%
2011	- 7.0%	- 7.0%
2010	- 1.2%	+ 11.0%
2009	- 1.3%	+ 22.0%
2008	- 2.1%	- 42.0%
2007	+ 6.6%	+ 0.0%
2006	+ 3.0%	+10.0%
2005	+ 0.8%	+ 3.0%
2004	+ 2.6%	+ 7.0%
2003	+ 1.4%	+ 25.0%
2002	+ 0.0%	- 27.0%





Returning to Work

- No agreement as of termination date with a WRS employer for future employment
- Cannot return to WRS employment until the latest of the following dates:
 - The 76th day after WRS termination date
 - The 76th day after application is received by ETF
 - The day after annuity effective date

Returning to Work

- If less than two-thirds full time* can continue WRS annuity.
- If two-thirds of full-time or more, WRS annuity is suspended, must re-enroll as employee
- No earnings limitation


* Non-teachers = 1200 hours
 Teachers, school district educational support = 880 hours



ETF Disability Benefits


- WRS Regular Disability
- Long-Term Disability Insurance
- Duty Disability


Please Contact ETF



Survivor Benefits


- For Active Participants:
 - Employee required contributions
 - Employer required contributions
 - Employee additional contributions
 - Interest on above






Survivor Benefits

- For Inactive Participants:
 - Employee required contributions
 - Employee additional contributions
 - Interest on above



Online ETF Resources Available

etf.wi.gov

- News, calculators, reference materials, brochures, forms
- Questions can be emailed to ETF 
- Videos, webinars - some examples:
 - Calculating Your Retirement Benefits Online
 - WRS Trust Funds – Core and Variable
 - Annuity Options
- SWIB Website: www.swib.state.wi.us





The End