

UW-Madison Retirement: Wisconsin Retirement System (WRS) & Supplemental Plans



Madison Benefits Services

OFFICE OF HUMAN RESOURCES

UNIVERSITY OF WISCONSIN-MADISON

UW-Madison Benefits Services



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walk-ins welcome 9am - 3pm, Monday - Friday



Benefits education offered monthly

www.talent.wisc.edu

- Pre-Retirement
- TSA Basics
- WI Deferred Compensation

Tonight's Topics

1. Wisconsin Retirement System (WRS) pension
2. Supplemental retirement plans at UW-Madison
 - Tax Sheltered Annuity (TSA) 403b
 - Wisconsin Deferred Compensation (WDC) 457b
3. Health insurance and sick leave in retirement

Wisconsin Retirement System (WRS)

Wisconsin Retirement System (WRS)

What is the WRS?

Administered by:
Employee Trust Funds (ETF)

- www.etf.wi.gov
- (608) 266-3285



Wisconsin Retirement System (WRS)

What is the WRS?



Separation



Retirement



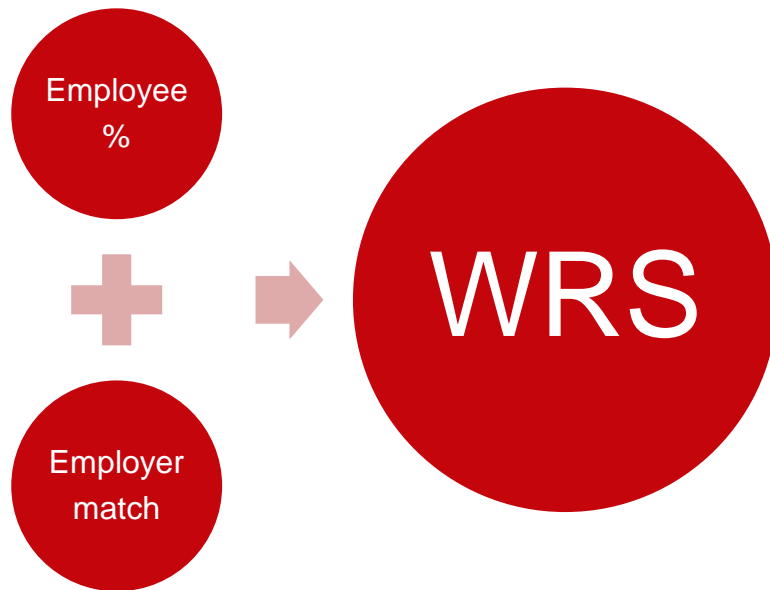
Disability



Death


Wisconsin Retirement System (WRS)

What is the WRS?



- State employees who meet eligibility *must* participate per Wis. Stat. § 40.22
- Pretax payroll deduction based on employee's gross State earnings
 - 2018 employee % = 6.7
 - Employer match

Wisconsin Retirement System (WRS)

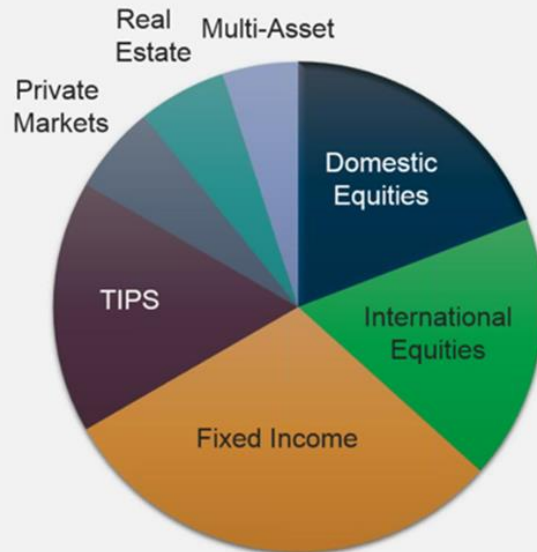
- Invested by: The logo for the State of Wisconsin Investment Board (SWIB). It features the letters "SWIB" in a large, bold, sans-serif font. The "SW" is yellow and the "IB" is blue. To the right of "SWIB", the words "STATE OF WISCONSIN" and "INVESTMENT BOARD" are stacked in a smaller, blue, sans-serif font.

STATE OF WISCONSIN
INVESTMENT BOARD
- www.swib.state.wi.us
- (608) 266-2381
- Employees may make additional after-tax contributions into WRS via personal check or payroll deduction
 - Certain maximums apply
 - Learn more: www.etf.wi.gov > search: ET-2123

Wisconsin Retirement System (WRS)

SWIB Asset Targets

www.swib.state.wi.us



Core Fund

2016 SWIB Return: + 8.6%
(Above benchmark of +7.9%)



Variable Fund

2016 SWIB Return: + 10.6%
(Above benchmark of +10.4%)

Effective Rates and Annuity Adjustments– February 2, 2017

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

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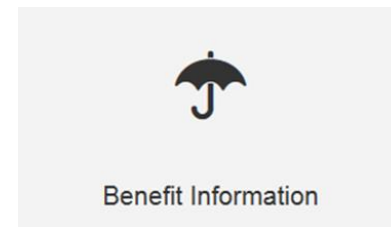
Wisconsin Retirement System (WRS)

Where do I find my Annual Statement?



www.wisc.edu > MyUW tab [employee uses NetID to log in]

ETF Annual Statement (WRS)
Benefit Information > Statements



Wisconsin Retirement System (WRS)

What affects my WRS annuity?

Formula

- Years of creditable service
- Final average earnings
- Formula factors
- Age Reduction*
- Variable adjustment*

*if applicable

Money Purchase

- Account balance
- Age

Wisconsin Retirement System (WRS)

Calculate (unofficially) your own future annuity:

www.etf.wi.gov

The screenshot shows the Wisconsin Employee Trust Funds (ETF) website. The header features the ETF logo and a navigation bar with links for members, retirees, employers, governing boards, and careers at etf. A search bar is also present. The left sidebar contains a 'calculators' section with a calculator icon and a list of links: member education, forms and publications, news, about etf, faq, contact etf, site map, related links, home, and top of page. The main content area displays the 'WRS Retirement Benefits Calculator' with a description: 'Calculate your projected WRS retirement benefits under both the formula and money purchase methods.' Below this are two other calculators: 'Income Tax Withholding Calculator (Calculator for Monthly Retirement Benefits Only)' and 'Accelerated Payment Cost Calculator'.

calculators

- member education
- forms and publications
- news
- about etf
- faq
- contact etf
- site map
- related links
- home
- top of page

WRS Retirement Benefits Calculator

Calculate your projected WRS retirement benefits under both the formula and money purchase methods.

Income Tax Withholding Calculator
(Calculator for Monthly Retirement Benefits Only)

Calculate the impact of your income tax withholding election on the annuity payments you receive. This tool also allows you to print your tax withholding election.

Accelerated Payment Cost Calculator

If you will be under age 62 on your WRS retirement date, you can calculate the cost of choosing an Accelerated Payment Option.

Wisconsin Retirement System (WRS)

How do I request my annuity application?

Choose your preferred method:

1. Complete ETF's online form: www.etf.wi.gov > Members > Request Your Retirement Benefit Estimate
2. Print out and mail to ETF a paper request form: www.etf.wi.gov/publications/et4207.pdf
3. Call ETF: (608) 266-3285

It can take ETF up to 6 weeks to create your application

Wisconsin Retirement System (WRS)

What are my annuity options?

WRS Annuity Payment Options

Receiving Your Retirement Benefit



www.etf.wi.gov/videos/wrs_annuity_payment.htm

Wisconsin Retirement System (WRS)

How do I begin my WRS annuity?

- Be vested in the WRS
- \geq age 55 if General or Teacher category; \geq 50 if Protective
- Provide ETF your completed annuity application
- Have a valid termination from your WRS employment
- Serve a minimum break in service
 - At least 75 days termination

Wisconsin Retirement System (WRS)

When should I begin my WRS annuity?

Optimal dates differ by employee. Consider:

- Is your annuity higher under the Formula or Money Purchase calculation? What are this year's returns?
- Are you a 9-month or 12-month employee?
- Are you planning to retire at a specific age or as of a particular employment anniversary date?
- How many WRS Creditable Years have you earned?
- How many Continuous Years have you worked for the State?
- Would it be helpful if your health insurance continued another month at the employee rates?



Supplemental Retirement Plans



Tax Sheltered Annuity 403b

Wisconsin Deferred Compensation 457b

Supplemental Retirement Plans

Won't my WRS annuity be all the retirement income I need?

You will likely want other retirement income as well.

The WRS pension was designed to replace 60-80% of a full career employee's pre-retirement gross earnings when *combined with Social Security income*.

No guaranteed cost of living adjustments.

Conlin, R. Helping Your Future Self. www.etf.wi.gov. WRS News Online. Vol 3, No. 1 – January 2017

TSA 403b

Mutual Fund Companies	Fidelity 800-343-0860 www.netbenefits.com/uofw
	T.Rowe Price 800-922-9945 rps.troweprice.com/wisconsin
Insurance Companies	TIAA-CREF 800-842-2776 www.tiaa.org/uwsa
	Lincoln National Life 608-231-2231 or 800-967-2046 www.lfg.com
	Ameriprise/RiverSource 608-819-0500 www.ameriprise.com/UW403b

Quick Guide:

www.wisconsin.edu/ohrwd/benefits/download/ret/tsa/quick-guide.pdf

UW System's TSA Page:

www.wisconsin.edu/ohrwd/benefits/ret/tsa/#summary

WDC 457b

<https://wisconsin.gwrs.com>

The screenshot shows the homepage of the Wisconsin Deferred Compensation Program Website. At the top, there is a navigation bar with links: Home, Schedule a Meeting, Contact Us, and AAA. Below this is a banner with the WDC logo and the tagline "Helping You Turn Over a New Retirement Leaf". A secondary navigation bar contains links for Program Information, Invest with the WDC, Education & Planning, and Employer Information. The main content area features a large "WELCOME" message with the text "to the Wisconsin Deferred Compensation Program Website" and a background image of a skunk. To the right, there is a section for "ACCESS YOUR ACCOUNT" with tabs for Participant and Plan Sponsor. It includes fields for USERNAME and PASSWORD, a "SIGN IN" button, and links for "Forgot Username or Password?" and "First Time Visiting? Let's Get Started!". At the bottom, there are three boxes: "etf" (Wisconsin Department of Employee Trust Funds) with a link to the ETF website, "News & Updates" with a link to read the latest news, and "Schedule a Meeting" with a link to register for a group meeting or one-on-one session with a local Retirement Plan Counselor.

WDC Helping You Turn Over a New Retirement Leaf

Home | Schedule a Meeting | Contact Us | AAA

Program Information | Invest with the WDC | Education & Planning | Employer Information

WELCOME
to the Wisconsin Deferred Compensation Program Website

ACCESS YOUR ACCOUNT

Participant | Plan Sponsor

USERNAME

PASSWORD

[Forgot Username or Password?](#)

SIGN IN

First Time Visiting?
[Let's Get Started!](#)

etf
WISCONSIN DEPARTMENT OF EMPLOYEE TRUST FUNDS
[Click here to go to the ETF website...](#)

News & Updates
Read the latest news and updates to the WDC Program...

Schedule a Meeting
Register for a group meeting or one-on-one session with your local Retirement Plan Counselor.

How do the Plans Compare?

UW System's 403(b) Tax Sheltered Annuities

- Pre- or Post-tax
 - 2018 max contribution \$18.5k
 - Age 50+ catch-up of \$6k
 - Additional special catch-up may be allowed if 15+ years service
- Minimum contribution \$20/check
 - No administrative fees charged since 2016
 - Loan services available
 - Early-withdrawal penalties

State of Wisconsin's 457(b) WI Deferred Compensation

- Pre- or Post-tax
 - 2018 max contribution \$18.5k
 - Age 50+ catch-up of \$6k
 - Additional special catch-up may be allowed if 3 years from normal retirement age
- No minimum contribution
 - Monthly administrative fees based on account balance
 - No loan services
 - No early-withdrawal penalties



Health Insurance & Sick Leave Value in Retirement

Retiree State Health Insurance

- Active UW-Madison employee State Health ends the last day of the month in which you were last employed.
- If you subscribe to State Health and take an immediate WRS annuity, you are automatically rolled into the Retiree State Health administered by ETF
 - May submit a change/cancellation form or Sick Leave Escrow form to ETF if immediate Retiree coverage isn't desired

Retiree State Health Insurance

- You owe the **full monthly premium** for the Retiree State Health coverage (you are no longer eligible for the employer contribution)
 - Average monthly cost: \$700 for Single, \$1,700 for Family
 - There is a premium reduction if age 65+ and on Medicare Parts A & B.

Sick Leave Conversion

If **covered by State Health** at time of retirement & taking an **immediate annuity**:

- Your sick leave balance will be converted to a dollar amount using your highest base rate* under state service.
- This sick leave account can then be applied toward the Retiree State Health monthly premium
 - Immediately, or
 - In future (if you escrow the account because you have other comparable coverage)

*Excluding LTE/Temporary Employee base wages

Sick Leave Conversion

If **covered by State Health** at time of retirement & taking an **immediate annuity**:

- Most retirees with at least 15 years of Continuous Service are eligible for additional, supplemental sick leave credits.

Sick Leave Conversion

- Learn more about the Sick Leave Conversion Program:
 - www.etf.wi.gov > Forms and Publications > Sick Leave Conversion Credit Program ([ET – 4132](#))
- Estimate the value of your sick leave at retirement:
 - www.wisconsin.edu/ohrwd/benefits/sle/form/

Next Steps

Attend our full PreRetirement Session (www.talent.wisc.edu)



Thank you

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