



Explanation of Annual Statement of Benefits

Wisconsin Retirement System Account Information As of January 1, 2024

If any information on your *Statement of Benefits* is incorrect, contact your payroll office first. Your employer must report any corrected data to the Department of Employee Trust Funds and should contact us directly with any reporting questions. If your employer is unable to resolve your concerns, you must submit a written request for corrections to ETF.

Carefully review information on page 3 regarding Required Minimum Distributions (the deadline to apply for your benefit).

Section 1 — 2023 Earnings and Service

Your employer reports your WRS earnings and service to ETF each year.

- For most employees, this information is reported on a calendar year basis.
- If you worked as a teacher, judge, or educational support personnel, your information is reported on a fiscal year basis. This section shows your WRS earnings and service for the 2021/22 fiscal year (July 1, 2021 to June 30, 2022) and for the first half of the 2022/23 fiscal year (July 1, 2022 to December 31, 2022).
- A maximum of 1.0 year of service is creditable for each annual reporting period.

Section 2 — Years of Creditable Service as of 1/1/2024

This section shows your total years of creditable service. Service is broken down into three types: “Before 2000,” “After 1999,” and “After Act 10.” You may have service in one, two, or all three types, depending on when and how long you have worked under the WRS.

- Employees who have “Before 2000” service have a higher formula multiplier applied to that service.
- Only employees in the elected/executive category have “After Act 10” service. A lower formula multiplier is applied to this service. If you first began employment in one of these categories **after** 2016, your normal retirement age is 65 for this service.

Your total service may be less than expected because of payroll lag time. Generally, when you retire, your employer’s final report will include all the service you have earned.

Your creditable service may also be less than expected if:

- **You worked part time, took a leave without pay, or had a break in service.** In these cases, you earned less than a full year of creditable service. Your employer reports your WRS hours, which are then converted to a decimal fraction of a year. The hours are divided by 1,320 for teachers and by 1,904 for everyone else.
- **Your account has been divided by a Qualified Domestic Relations Order (QDRO).** Your total service does not include the portion awarded to your former spouse or domestic partner.
- **You had active military service, prior to January 1, 1974, before you became covered by the WRS.** Any military service credit that you may be eligible for will be added to your account when you apply for a WRS retirement or disability benefit.

Formula Multipliers			
Employment Category	Before 2000	After 1999	After Act 10
General, Teachers, and Educational Support	.01765	.016	n/a
Protective with Social Security (police, prison guards, sheriffs, deputies, some firefighters)	.02165	.020	n/a
Protective without Social Security (most firefighters)	.02665	.025	n/a
Elected Officials, State Executive Retirement Plan Employees, and Judges	.02165	.020	.016

Section 3 — Employee-Required Contributions

This section shows the cumulative employee-required contributions in your account and *does not* include the employer contributions (see Section 9 for your total account balance as of January 1, 2024).

- Employee-required contributions are a percentage of your WRS earnings reported.
- Since July 2011, most employees must pay these contributions themselves.
- Some employers may pay all or part of the employee-required contributions pursuant to a collective bargaining agreement or contract. Contact your employer if you are uncertain about your specific situation.
- Your interest rate is shown in this section.

Most contributions are made on a “pre-tax” basis and are not taxed until you terminate all WRS employment and receive a WRS benefit. However, some types of employee contributions can be made on an “after-tax” basis and are not taxed again. The non-taxable portion of your account is called your “Investment in Contract.” It is shown at the bottom of this section.

Section 4 — Additional Contributions

This section shows the balance of voluntary additional contributions that you or your employer have made to your account. You cannot withdraw these contributions until you leave all WRS employment. Additional contributions always receive the effective rate of interest.

If you received a Long-Term Disability Insurance (LTDI) benefit, your LTDI supplemental contributions are included as Core Employer Additional Contributions.

For information about taxes on additional contributions, see the [*Tax Liability on WRS Benefits \(ET-4125\)*](#) brochure.

Section 5 — Primary Beneficiary Designation(s) for WRS-Required Account

A beneficiary designation controls who receives any WRS death benefit payable when you die. This includes life insurance with ETF.

- If you filed a beneficiary designation(s) with ETF in 1988 or later, your primary beneficiary(ies) will normally appear in this section.
- Changes in your personal situation like marriage, divorce, or termination of a domestic partnership do not change your beneficiary designation. You must file a new designation to change your beneficiary.
- If you have never filed a beneficiary designation, or if your beneficiary(ies) are all deceased, your death benefit will be paid according to the standard sequence specified by Wis. Stat. § 40.02 (8)(a).
- You may change your beneficiaries by completing the [*Beneficiary Designation \(ET-2320\)*](#) or [*Beneficiary Designation-Alternate \(ET-2321\)*](#) form. These forms are available at etf.wi.gov or by contacting ETF.

Section 6 — Separation Benefit

A separation benefit is a one-time (lump-sum) payout of your employee-required contributions, plus additional contributions (if applicable) and interest. It does not include the employer-required contributions. Taking this benefit closes your WRS account and you forfeit all your earned service as well as your rights to a “Retirement Benefit.”

You are eligible for a separation benefit if you leave all WRS employment, and you are not vested, or you apply before your minimum retirement age. Minimum retirement age is 55, or age 50 if you have some protective category service that is not purchased.

Section 7 — Death Benefit

The amount shown is the minimum death benefit payable to your beneficiary(ies). It will be paid if you die before your WRS benefit begin date. Once your retirement benefit begins, these estimated death benefits are no longer valid. Instead, your death benefit, if any, is based on the annuity option that you chose.

- The death benefit shown in the “Active” column will be paid if you die while employed in a WRS-covered position. A higher formula death benefit may be payable if you are an active WRS employee and are minimum retirement age when you die. An active employee’s beneficiary(ies) is entitled to this benefit regardless of vesting requirements.
- The death benefit shown in the “Inactive” column will be paid if you are no longer working in a WRS-covered position and you die before beginning your benefit.

See the [*Death Benefits \(ET- 6101\)*](#) brochure for details.

Section 8 — Formula Benefit Data

This section shows the data ETF uses to calculate your formula retirement benefit:

- Your three highest annual WRS earnings. The years do not need to be three in a row, nor your three most recent years.
- Your final average monthly earnings (FAE). Your FAE is calculated by adding the total earnings in your three highest years, dividing the total by the total service credited for those three years, then dividing the result by 12.
- Any Variable Fund excess/deficiency as of January 1, 2024.

You will see a Variable excess/deficiency amount if you participated in the Variable Fund. This amount shows the value of your account compared to the value it would have been if you had never participated in the Variable Fund. A Variable excess will increase your formula benefit, while a Variable deficiency will decrease it.

For more information, see the *Variable Trust Fund (ET-4930)* brochure. You may project updates to your Variable excess or deficiency balances using the WRS Variable Excess or Deficiency Update Calculator at etf.wi.gov/calculator.htm.

Section 9 — Money Purchase Balance

Your money purchase balance is the total value of both the employee-required contributions and the employer contributions in your account.

- Your money purchase monthly benefit is calculated by multiplying your total account balance (including interest) by the money purchase factor for your age.
- In 2024, this balance is only available as a lump-sum retirement benefit if the monthly annuity amount is less than \$528.

Section 10 — Retirement Benefit Projections

This section shows estimates for your retirement benefit under both the money purchase and formula methods. These are not official estimates; they are for your general information only. You may request a retirement estimate packet at etf.wi.gov or by contacting ETF six to twelve months before you plan to retire (or before you plan to apply for benefits if you are not an active WRS employee).

- You must be vested to receive a retirement benefit.
- Your estimated payment must be at or above the 2024 minimum of \$255 to be eligible for a monthly annuity.
- If no amount is shown in this section, you may be restricted to a lump-sum payment.
- If you are older than normal retirement age for your employment category, the amounts are calculated based on your age as of January 1.

You may have to meet one of two vesting laws depending on when you first began WRS employment:

- If you first began WRS employment after 1989 and left employment before April 24, 1998, then you must have some WRS-creditable service in five calendar years, or
- If you first began WRS employment on or after July 1, 2011, you must have five years of WRS-creditable service.

If neither vesting law applies, you were vested when you first began WRS employment.

If you are vested, you may receive a retirement benefit at age 55 (age 50 for protective category participants) once you leave all WRS employment. If you are not vested, you may only receive a separation benefit, regardless of your age.

If you are unable to work due to a permanent disability, call ETF immediately to request disability benefits information.

Please note, your statement does not include any account receivable amount due if you have an outstanding balance pending. Any monies owed on your account will be deducted from your WRS annuity, if not paid in full before you apply for benefits.

Additional Information for Inactive Members

If you no longer work under the WRS, you may want to consider applying for your retirement benefit as soon as you are eligible, regardless of your employment status or income. Delaying your retirement benefit may increase your monthly payment. Calculate how long it will take to recover the monthly payments and any annual increases that you will give up by waiting to begin your benefit.

Additionally, if you die before you begin receiving a retirement benefit, the death benefit will be less than your total account balance because you will forfeit the employer contributions.

Required Minimum Distribution

Once you stop working for a Wisconsin Retirement System employer, federal law requires you to begin receiving your benefit payment(s) by a certain date, depending on your age. This is called a required minimum distribution (RMD). Visit etf.wi.gov for detailed information about current RMD requirements, and the potential impact a RMD may have on your WRS benefits and tax liability. You may also want to consult with your tax advisor.

It is important for you to contact ETF before a forced distribution is required. Once a forced distribution begins, your ability to choose a different payment option, if available, will be very limited. Your WRS account will be closed and you will not be able to return your payment(s).

Wisconsin Retirement System Retirement Plan Structure

- The WRS retirement plan is a qualified pension plan that satisfies requirements of the Internal Revenue Code (IRC).
- The WRS retirement plan is subject to Section 401(a). It is not a 401(k) plan.
- The WRS retirement plan is a defined benefit plan with a variable investment option.
- Interest is only credited to your account each December 31. No interest is credited on a daily, monthly, or quarterly basis, except prorated interest may be credited for a partial year when WRS benefits are paid.
- **You cannot take a loan against your account.**



Contact the Department of Employee Trust Funds

Visit us Online at etf.wi.gov

Find WRS benefits information, forms and publications, benefits calculators, educational offerings, and other resources.

Online Calculator

To get an estimate of your potential retirement benefits, follow the instructions to use ETF's retirement benefits calculator at etf.wi.gov/calculator.htm. ETF encourages members to use this valuable tool for retirement planning. This calculator uses only the information that you enter; it is not connected to your WRS account. There is no risk of anyone accessing your confidential data through this calculator.

Appointments

For current information about appointment options with a benefits specialist, and to schedule an appointment, see ETF's website at etf.wi.gov or call us at 1-877-533-5020. Some available options include:

1. In-person small group retirement appointments within the state, with up to 12 participants.
2. Online small group retirement appointments, with up to 12 participants.
3. In-person individual retirement appointments.
4. Online individual retirement appointments. These appointments are secure and allow you to meet face-to-face with a benefits specialist. All you need is a computer, your telephone, and an internet connection.

You can also take advantage of interactive webinars or videos on a variety of WRS benefit topics. Find these and other educational resources on ETF's website at etf.wi.gov.

Address/Name/Gender Change

Notify ETF of all address, name, or gender changes. This will ensure that you receive annual statements and other important information from ETF. Failure to notify ETF may result in forfeiture of your WRS account.

To update your information, complete and return the [Address/Name/Gender Change \(ET-2815\)](#) form to ETF, call us at 1-877-533-5020, or send a secure email from the Contact Us section on ETF's website.

Return Forms

You may return completed forms to ETF by mail:
Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931

You may also use ETF's secure drop box located outside the entrance of the Hill Farms State Office Building in Madison.

Call ETF

7:00 a.m. to 5:00 p.m.
Monday through Friday (except holidays)
1-877-533-5020
Wisconsin Relay: 711