Washington State
Department of Retirement Systems

Plan 2 Member Handbook
January 2016
WSPRS Plan 2 is a defined benefit plan. When you meet plan requirements and retire, you are guaranteed a monthly benefit for the rest of your life.

Your retirement benefit will be based on your years of service (while a member of WSPRS Plan 2) and your compensation. This formula will be used to calculate your monthly retirement benefit:

\[ 2\% \times \text{service credit years} \times \text{average final salary} = \text{monthly benefit} \]

You and your employer each contribute a percentage of your salary or wages to help fund the plan. The Pension Funding Council adopts contribution rates and periodically adjusts them to reflect the overall cost of the plan. The Legislature has the final decision on contribution rates.

You are vested in the plan when you have five years of service credit. Once you are vested, you have earned the right to a future retirement benefit. If you leave your job and withdraw your contributions, however, you give up your right to a benefit.

You are eligible to retire:

- At any age with 25 or more years of service credit; or
- At age 55 or older with no minimum required service credit.

State-registered domestic partners have the same survivor and death benefits as married spouses.

If the unexpected happens – disability or death before retirement – benefits may be available. If the State Patrol determines that you are entitled to disability benefits you may be able to acquire service credit for the period of disability.

If you die before retirement, your survivor may be eligible to receive a benefit based on your years of service credit.

Log in or sign up for online access to your retirement account. Track your contributions and service credit; read the latest newsletter; use your individual data to estimate your retirement benefit; and when you’re ready, apply for retirement. Get started at www.drs.wa.gov.
### Contact DRS

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<tr>
<td>Olympia</td>
<td>Department of Retirement Systems</td>
<td><a href="mailto:recep@drs.wa.gov">recep@drs.wa.gov</a></td>
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<td>Monday - Friday</td>
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### Glossary:

Terms highlighted in **bold** print appear in the glossary of terms on 14.

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**Privacy of your information**

We are committed to protecting the privacy of your personal account information, including your Social Security number, which we use to track your account and submit required reports to the IRS. We will not disclose your information to anyone unless we are required to do so by law.

If you have insurance coverage through the Washington State Public Employees Benefits Board (PEBB), we may share your information with PEBB to better serve you.

**Handbook summary**

This handbook is not a complete description of your retirement benefit under Plan 2 of the Washington State Patrol Retirement System. State retirement laws govern your benefit. If any conflicts exist between the information shown in this handbook and what is contained in current law, the law governs.
Welcome to the Washington State Patrol Retirement System

How your plan works

Overview
WSPRS Plan 2 is a 401(a) defined benefit plan. When you retire, you will receive a monthly benefit for the rest of your life that is based on your years of public service and your average final salary. While the contributions you make help to fund the plan overall, they do not factor into the retirement benefit you receive.

Eligibility for WSPRS Plan 2
Full-time officers commissioned on or after January 1, 2003 are covered by WSPRS Plan 2 and are required to become members of the plan.

Previous membership in another Washington public service retirement system
Membership in another of Washington’s public service retirement systems (including the city retirement systems of Seattle, Spokane or Tacoma) can affect your:
- Eligibility for WSPRS Plan 2 membership;
- Eligibility to retire; and
- Benefit calculation.

If you have ever been a member in another of Washington’s public service plans, it is important to tell the State Patrol.

Contributing to the plan
You are required to contribute a percentage of your salary to your retirement plan. This includes overtime and tax-deferred wages, but does not include voluntary overtime, lump sum payments for unused sick leave, vacation or annual leave or any form of severance pay. If you have questions about the compensation your employer reports for you, please contact your employer.

Your employer’s contributions are also based on a percentage of your salary or wages. They are not matching funds and you cannot withdraw them if you leave public service.

When you retire, the monthly benefit you receive will have been funded over time by your contributions, your employer’s contributions and investment earnings. The Pension Funding Council adopts contribution rates and periodically adjusts them to reflect the overall cost of the plan. The Legislature has the final decision on contribution rates.

Federal law limits the amount of compensation you can pay retirement system contributions on and that can be used in your benefit calculation. In 2016, that limit is $265,000; the amount can be adjusted each year. If you reach the limit in any calendar year, you don’t pay contributions for the remainder of the year and any salary earned over that amount isn’t used in your pension calculation.

Earning service credit
Service credit is based on the number of hours you work, which your employer reports to DRS. You receive one service credit month for each calendar month in which you are compensated for 70 or more hours of work. No more than one month of service credit can be earned for each calendar month.

When you retire, your service credit will be a part of your retirement benefit calculation.

Designating your beneficiary
Your Beneficiary Designation form tells DRS who you wish to receive benefits upon your death. If you do not complete and submit this form, any benefits due will be paid to your surviving spouse/partner or minor child. If you do not have a surviving spouse, partner or minor child, we will pay your estate.

Be sure to review your beneficiary designation periodically and submit a new form to DRS if you need to make a change or confirm your choices. If you marry, divorce or have another significant change in your life, be sure to update your beneficiary designation, because these life events could invalidate your previous choices.

State-registered domestic partners have the same survivor and death benefits as married spouses. Contact the Secretary of State’s Office if you have questions about domestic partnerships.
When you will be vested
Once you have five or more years of service credit in WSPRS, you have a **vested** right to a retirement benefit.

If you leave WSPRS employment before you’re eligible to retire, you can choose to either leave your contributions in the plan, where they will continue to earn interest, or you can withdraw your contributions. Should you decide to withdraw your contributions, you give up your right to a future retirement benefit. See “Returning to public service” on page 6 to learn more about the ability to re-establish your benefit rights under certain circumstances.

When you will be eligible to retire
You are eligible to retire at:

- Any age if you have 25 or more years of service credit; or
- Age 55 or older, regardless of your years of service credit.

If you leave your State Patrol commission before age 55, you must be vested (have at least five years of service credit) to receive a benefit.

You must retire no later than the first of the month following the month you reach age 65 unless you are the chief of the State Patrol.

How your retirement benefit will be calculated
Your benefit is determined by your service credit years and compensation. When you retire, this formula will be used to calculate your benefit:

\[ 2\% \times \text{service credit years} \times \text{average final salary} = \text{monthly benefit} \]

**Average final salary** is the average of your 60 consecutive highest paid service credit months. Any severance pay, or lump sum payment for unused sick leave or vacation/annual leave, is not included. The maximum retirement benefit is 75 percent of your average final salary.

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**HERE’S AN EXAMPLE:**

Suppose you retire at age 56 with 25 years of service credit and a average final salary of $5,000. Your retirement benefit would be $2,500 each month, calculated as follows:

\[ 2\% \times 25 \times 5,000 = 2,500 \]

Planning for retirement
Though retirement may seem far away at the moment, planning for it now is one of the best things you can do for yourself and your family. Your retirement benefit will be an important part of your income in retirement, but it is just a portion of what you will need.

How do you begin developing your personal plan for retirement? First, estimate how much money you will need. That can vary, based on factors that include:

- The lifestyle you’ll want to lead when you retire;
- Your health;
- Whether you’ll carry any debt into retirement; and
- Your life expectancy.

Next, estimate how much money you will receive from all sources (consider Social Security, personal savings, other employer pension plans, etc). When you compare this number with what you think you will need, then you can adjust your savings plan accordingly.

There are a number of different tools that can help you with this. A few that are available on the DRS website include:

- The benefit estimator within your online retirement account will calculate your retirement benefit under a variety of different scenarios (for example, different retirement dates), using your actual account data. Look for “Login/Sign” upon the website home page. If you haven’t already signed up, it takes just a few minutes to do so.
• The Deferred Compensation Program (DCP) offers an online calculator (also accessible from the DRS home page) that can estimate your DCP savings and analyze whether you are on schedule to meet your income needs. Another calculator shows the effects of different DCP deferral amounts on your take home pay.

Be sure to revisit your plan and adjust for changes in your professional and personal life that will happen over time.

Milestones/life changes

Becoming vested
When you have earned five or more years of service credit in WSPRS, you have a vested right to a retirement benefit. This is a significant milestone in your public service career.

Leaving public service
Should you leave the Washington State Patrol, you can choose to either leave your contributions in the plan until you’re eligible to retire or withdraw them. The IRS requires that you begin taking payment of your retirement benefit when you reach age 70½ unless you are still employed.

Leaving WSPRS-covered employment is the only circumstance under which you can withdraw your contributions. If you do, you will cancel any rights and benefits you have accrued in WSPRS. You can only restore your contributions and re-establish your service credit under certain circumstances (see the next section). There are also tax implications to withdrawing your contributions, so you may want to contact the IRS or your tax advisor before making a decision. The Withdrawal of Retirement Contributions publication contains more detailed information.

Be sure to keep us updated on any changes in your name, address or beneficiary. The Beneficiary Designation form you complete and submit tells DRS who you would like to receive benefits upon your death. It's very important that you keep your beneficiary designation current as it may be invalidated by a divorce, marriage or other circumstances.

Returning to public service
If you leave your position, withdraw your contributions, and later return to the State Patrol, you may be able to restore your previous service credit. To do so, you must return to commissioned service within 10 years of the date your employment ended. You must repay the total amount of the contributions you withdrew, plus interest, within five years of returning to employment or before you retire, whichever comes first. No partial restorations are allowed. Contact us to determine how much you owe.

A dual member (one who belongs to more than one retirement system) may be able to restore service credit earned in a retirement system other than WSPRS. The deadline is within two years of first becoming a dual member or before retirement, whichever comes first.

It may still be possible to purchase service credit after the deadline has passed; however, the cost is considerably higher. You can learn more by reading WSPRS Recovery of Withdrawn or Optional Service Credit. You may also find helpful information in What is Dual Membership and How Does it Affect Me?

Marriage or divorce
Marrying or divorcing can affect your retirement benefits.

Court-ordered property division
Your benefit may be affected by a court-ordered property division. As long as the order complies with the applicable laws, we will pay retirement benefits according to the property division.

An ex-spouse may have a right to a portion of your benefits under certain circumstances. The DRS publication How Can a Property Division Affect My Retirement Account? contains detailed information.
If the unexpected happens

Temporary leave from your job
You may need to take a temporary leave from your job because of:

- Military service; or
- A temporary disability.

If so, you may be able to obtain service credit for work time missed while you were on leave.

Service credit for military service
If you left your position for uniformed military service, you may be eligible to receive service credit for that period. To qualify, you must:

- Apply for a position with the State Patrol within 90 days of receiving an honorable discharge; and
- Complete payment of the contributions within five years of returning to employment or before you retire, whichever comes first. Contributions may not be required if your military service occurred during certain periods of war.

Should you become totally incapacitated as a result of serving in the United States military, you (or in the case of your death, your surviving spouse/partner or children) can apply for military service credit without your return to employment.

Read our Military Service Credit publication for more information.

Disability before retirement
If you become disabled and receive disability benefits from the State Patrol, you may be eligible to obtain service credit for the period of disability. To qualify for service credit, you must return to active duty as a commissioned officer with the State Patrol and pay the member contributions, plus interest, on the salary you would have received if you had not been disabled. The payment must be made in full within five years of your return to active duty or before your retirement, whichever comes first.

Contact the State Patrol for disability benefits information and DRS to learn more about receiving disability-related service credit.

Death before retirement
With less than ten years of service credit and not eligible for retirement
Your accumulated contributions plus interest will be paid to your beneficiary. If you do not have a living beneficiary, your contributions are paid to your spouse or partner, (or if none, your estate).

With ten or more years of service credit or eligible to retire
Your spouse or partner, (or if none, the guardian of your minor children), can choose to receive either a lump sum payment of 150 percent of your contributions, plus interest, or a monthly benefit. If you do not have a surviving spouse, partner or minor children, your contributions, plus interest, will be paid to your beneficiary or estate.

The monthly benefit will be calculated as if you have retired and chosen a 100 percent survivor benefit Option 2 (see Option 2 on page 11 in the “Your benefit options” section of this handbook). Should your spouse or partner die while receiving the benefit, your minor children will continue to receive the benefit that was being paid to your survivor. The benefit will be divided equally among the children and paid until they turn 18.

If you die in the line of duty
If the Department of Labor and Industries determines that your death occurred from injuries in the course of employment or as a result of an occupational disease or infection that arose from your employment, your beneficiary will be entitled to a one-time duty-related death benefit.
In addition (and regardless of your years of service credit), your surviving spouse, partner or if none, the guardian of your minor children will be eligible to choose from the following benefit options:

- A lump sum payment of 150% of your contributions; or
- A monthly benefit equal to 10% of your FAS, plus 2% of FAS for each year of service beyond five years. This monthly benefit is not reduced for early retirement or a survivor option and is not taxable.

**If your surviving spouse or domestic partner remarries after your death**

Beginning July 24, 2015: After L&I stops the benefit due to remarriage, your surviving spouse or domestic partner can request equivalent payments from DRS. If he or she chose the lump sum option before remarriage, the equivalent benefit payments from DRS will be reduced.

Your survivors are also entitled to free health care benefits through the Public Employees Benefits Board (PEBB). Health care is paid for your survivor’s lifetime and your children until they are no longer eligible under PEBB rules.

**Approaching retirement**

**Retirement planning checkup**

This is a good time to check in on your retirement planning. Have you analyzed how much you will need and how much you will have in retirement? Has anything in your plan changed? Have you joined the state’s Deferred Compensation Program (DCP) or another supplemental savings program?

Things to consider:

- **Identify your retirement lifestyle goals.** Will you want to travel the world or stay close to home? Different lifestyle choices can mean different financial goals.

- **Take care of your health.** The cost of medical care can be one of the largest expenses you incur in retirement. Getting regular checkups now and maintaining a healthy lifestyle can have an impact on what those costs will be when you retire.

- **Pay down debt.** Debt lessens the money you have available to save. Paying off debt while you’re still generating a paycheck will affect how much you have to save and give you greater flexibility in retirement.

- **Sign up for DCP or another similar savings vehicle.** You can get started with DCP by deferring as little as $30 a month from your paycheck, and you can increase that amount whenever you are ready.

- **Or increase your contribution to DCP or another savings vehicle.** Making even a small adjustment in the amount you save each month can make a big difference over the long run. Use the calculator on the DCP website to see the impact of different contribution amounts. Here’s an important tip: If you’re age 50 or over, the IRS allows you to save even more in your DCP account by providing a higher contribution limit.

Many important questions need considering as you approach retirement, including:

- How much income will you need in retirement?
- What will your retirement benefit be?
- How will your benefit change if you work past age 55?
- Will you want to increase your benefit by purchasing additional service credit?
- What other income will you have available to you in retirement?

In this section, we’ve included information to help you find the answers. If you haven’t already signed up for online account access to your retirement account, you’ll want to do so at www.drs.wa.gov. You can calculate your benefit under different scenarios, using your individual account information.
Service retirement

You are eligible to retire at:

• Any age with 25 or more years of service credit; or
• Age 55 or older, regardless of your years of service credit.

If you leave your State Patrol commission before age 55, you must be vested (have at least five years of service credit) to receive a benefit.

You must retire no later than the first of the month following your 65th birthday unless you are the Chief of the State Patrol.

How your retirement benefit will be calculated

You benefit is determined by your service credit years and salary. When you retire, this formula will be used to calculate your benefit:

2% x service credit years x average final salary = monthly benefit

Average final salary is the average of your 60 consecutive highest paid service credit months. Any severance pay or lump sum payment for unused sick leave or vacation/annual leave is not included. The maximum retirement benefit is 75 percent of your average final salary.

Here’s an example:

Suppose you retire at age 56 with 25 years of service credit and a monthly average final salary of $5,000. Your retirement benefit would be $2,500 each month, calculated as follows:

2% x 25 x $5,000 = $2,500

Retiring from inactive status

If you’re vested, but terminate employment before you’re eligible to retire, you are entitled to:

• A benefit at age 60; or
• An actuarially reduced benefit as early as age 55.

Actuarially reduced means that the payments are reduced based on factors provided by the Office of the State Actuary. These factors are derived from statistics about life expectancy and projections about the plan’s investment earnings. An actuarial reduction is necessary because you will receive benefits over a longer period of time.

Your benefit is determined by the percentage in effect at the time your benefit begins.

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Here’s an example:

Suppose you leave the State Patrol with 20 years of service credit, but before age 55. You have an average final salary of $5,000. If you retire early, your benefit is 61 percent of what it would be if you were 60 when you retired with the same service credit and average final salary. Your retirement benefit would be $1,220 each month, calculated as follows:

2% x 20 service credit years x $5,000 = $2,000
61% x $2,000 = $1,220

If your monthly benefit is less than $50, you can choose to take a lump sum retirement benefit. (It’s likely that only a member who retires as a dual member would receive this type of payment.) If you receive a lump sum payment, you are considered retired from WSPRS.
Retiring as a dual member

If you are a member of more than one Washington State retirement system, you are a dual member. If your service credit years total five or more when you combine both systems, you are entitled to a benefit from each system.

In most cases, your retirement benefit will be based on the highest base salary you earned, regardless of which system you earned it in. Base salary includes your wages and overtime and can include other cash payments if those payments are included as base salary in all of the retirement systems you are retiring from.

HERE'S AN EXAMPLE:

Suppose you retire at age 50 with nine years of service credit from WSPRS Plan 2 and 16 from the Public Employees’ Retirement System (PERS) Plan 2. Without dual membership, your service would be too short in either system for a retirement benefit. With dual membership, you can combine the service credit, giving you enough to retire, but your benefit from each system will be calculated with service from that system alone. This is how your benefit would be calculated:

\[ \text{WSPRS benefit} = 2\% \times 9 \times \text{average final salary} \]
\[ \text{PERS benefit} = 2\% \times 16 \times \text{average final compensation} \]
\[ \text{Total benefit} = \text{WSPRS benefit} + \text{PERS benefit} \]

For more information, read the publication What is Dual Membership and How Does it Affect Me?

Estimating your benefit

If you expect to retire within one year, be sure to go to your online account to request an official estimate of your benefit. Remember, you can also use the online benefit estimator to estimate your benefit at different retirement dates. If you’ve received an official estimate and are within one year of retirement, you can apply online.

Purchasing an annuity

When you apply for retirement, you can make a one-time, lump sum payment to purchase an annuity to supplement your monthly benefit. The minimum purchase price for this annuity is $25,000. A rollover from a qualified plan a government employer offers must fund this payment. This includes rollovers from the state of Washington’s Deferred Compensation Program.

Why purchase an annuity?

Purchasing an annuity increases your monthly benefit for the rest of your life. You will continue to receive the annuity portion of your monthly benefit if you return to work or return to membership. If you choose a survivor option for your retirement, DRS will continue paying the increase to your survivor after your death. If you do not select a survivor option, any remaining portion of your annuity will be paid to your designated beneficiary or your estate. The survivor you select for your monthly benefit is the same survivor who will receive your annuity after your death.

If you are eligible for an annual Cost-of-Living Adjustment (COLA) on your monthly benefit, you will receive the same COLA on this annuity.

How is an annuity paid?

The annuity you purchase is a guaranteed lifetime payment that will be paid to you monthly. You will receive one payment each month from DRS that will include the combined value of your monthly benefit and the purchased annuity amount. Your annuity will begin once DRS receives your payment and your retirement is processed. The actuarial factor that will be used to determine the amount of your annuity will be based on your retirement date or your retirement application date, whichever is later.

How do I purchase an annuity?

Contact DRS to obtain a copy of the Request to Purchase an Annuity for LEOFF Plan 2 and WSPRS Plans 1 and 2 form. Or you may request an annuity purchase through the online retirement application.

Once DRS receives the completed form, or your annuity purchase request through the online
retirement application, a bill will be sent to you for the annuity amount you requested to purchase. For more information, read *Purchasing an Annuity — LEOFF Plan 2 and WSPRS Plans 1 and 2* or contact DRS.

**Purchasing additional service credit**

At the time you retire, you may purchase additional service credit. Any credit you purchase will not be used to qualify you for retirement, but will be used to increase your monthly benefit. We can provide you with estimates for the cost of purchasing the service credit and the increase it can make in your benefit. If you choose to purchase, a Request to Purchase Additional Retirement Service Credit form must be submitted to us at the same time you submit your retirement application.

For more information, read the *Purchasing Additional Service Credit* publication.

**Updating your plan for retirement**

Has anything changed with your retirement planning? Perhaps you want to work longer or retire earlier than you previously thought? Be sure to adjust your planning.

If you are within five years of retirement, we encourage you to attend one of DRS’ retirement planning seminars. Seminars offer valuable tips on preparing for retirement. Check the schedule, and sign up online. You also have the option of watching a retirement planning seminar online.

**Ready to Retire**

**Applying for retirement — online**

To apply online go to www.drs.wa.gov and either sign up for or log in to your retirement account. The online retirement application will display only what you need based on your retirement system, plan and retirement eligibility rules. Follow the step-by-step instructions and electronically submit the application to us when you’re ready.

**Applying for retirement — on paper**

When you are ready to begin the process, request a retirement application from us. Be sure to submit the completed application with all required signatures and documentation, including proof of age for your survivor if you choose one of the options with a survivor benefit.

Remember, if you’re purchasing service credit, you’ll need to complete and turn in your purchase form with your retirement application.

**Your benefit options**

When you apply for retirement, you will choose one of the four benefit options shown below. Once you retire, you can change your option in very limited circumstances only, so select carefully.

**Option 1**

**Single life**

This option pays the highest monthly amount of the four choices, but pays it for your lifetime only. No one will receive ongoing benefits after you die. If you die before the benefits you have received equal your contributions, plus interest (as of the date of your retirement), the difference will be paid in a lump sum to your designated beneficiary.

**Option 2**

**Joint and 100 percent survivor**

Your monthly benefit under this option is less than in Option 1. But after your death, your survivor will receive the same benefit you were receiving for his or her lifetime.

**Option 3**

**Joint and 50 percent survivor**

This option has less of a reduction to your monthly benefit than Option 2. Your survivor will receive half the benefit you were receiving for his or her lifetime.

**Option 4**

**Joint and 66.67 percent survivor**

This option has less of a reduction to your benefit than Option 2 and more of a reduction than Option 3. Your survivor will receive 66.67 percent (or roughly two-thirds) of the benefit you were receiving for his or her lifetime.
Your spouse must consent to your choice of option

If you are married, the law requires that your spouse consent in writing to the option you choose. If your spouse’s consent is not provided, an Option 3 benefit will be paid to you, with your spouse designated to receive the survivor benefit.

Health insurance coverage

Ask your employer if you will be eligible for health insurance coverage through the Public Employees Benefits Board (PEBB) once you retire. You can also call the Health Care Authority at 800-200-1004 or visit the website at www.hca.wa.gov.

If you qualify for continuing coverage, you must meet strict timelines to apply or request a deferral.

Federal benefit limit

When you retire, your benefit may be limited if it exceeds the federally allowed amount. For 2016, the limit is $210,000, but it may be adjusted annually for inflation. Members hired before January 1, 1990, have different limits. We will contact you if you are inside this parameter. Few retirement system members should be impacted by this limit, but if you believe it may impact you, please call us for additional information.

Federal tax on your retirement benefit

Most, if not all, of your benefit will be subject to federal income tax. The only exception will be any portion that was taxed before it was contributed. After you retire, we will let you know if any portion of your contributions has already been taxed.

At retirement, you must complete and submit a federal W-4P form to let us know how much of your benefit should be withheld for taxes. If you do not, IRS rules require withholding as if you are married and claiming three exemptions. You can adjust your withholding amount at any time during retirement by completing a new W-4P form.

For each tax year you are in receipt of a retirement benefit, we will provide you with a 1099-R form to use in preparing your tax return. These forms are mailed at the end of January for the previous year. The information is also available online by logging into your retirement account.

It is your responsibility to declare the proper amount of taxable income on your income tax return.

Legal actions

In general, retirement benefits are not subject to assignment or attachment. They may, however, be subject to court and administrative orders issued under federal law or for spousal maintenance and child support.

You can find more information in the publication Can Legal Action Affect My Retirement Account?

When and how your benefit will be paid

After you retire, your retirement benefit will be paid at the end of each month and directly deposited in your bank or credit union account. You must complete the Authorization for Direct Deposit form as part of your retirement application.

If you need to change your financial institution once you’ve started your retirement, just complete a new authorization form and send it to us.

In rare cases, if you are unable to receive payment by direct deposit, payment will be mailed at the end of each month.

Once You Retire

Cost-of-Living Adjustment (COLA)

On July 1 of every year that follows your first full year of retirement, your monthly benefit will be adjusted to a maximum of three percent per year, as determined by the Consumer Price Index.
Working after retirement
Your WSPRS benefits are not affected if you work after retirement in any position other than a commissioned Washington State Patrol officer. However, if you plan to begin working for a public employer in Washington State after retirement, contact DRS before accepting employment.

Benefit overpayments or underpayments
If you ever receive an overpayment of your pension benefit, we will require you to repay it. If we determine there has been an underpayment, we will correct the error and pay you in full.

Changing a benefit option or survivor after you retire
Once you retire, you may only change your benefit option or survivor in the following circumstances:

- If you designated someone other than your spouse or partner to receive your survivor benefit, you can change to an Option 1 (no survivor) benefit at any time after retirement.
- If you chose one of the survivor options (2, 3 or 4), and your designated survivor dies before you, your retirement benefit may be adjusted to the higher Option 1 payment level. Be sure to notify us to initiate this adjustment.
- If you retire under Option 1, then marry, remarry or enter into a domestic partnership and remain married or in that partnership for at least one year, you may change your benefit option and provide a survivor benefit for your new spouse or partner. To qualify for this opportunity, you must request the change between your second and third year of marriage. Please contact us for estimates on how this will affect your benefit. Also, be aware that this opportunity may not be available if your benefit has been impacted by a court-ordered property division.
Glossary of terms

Average final salary (AFS): The monthly average of your 60 consecutive highest-paid service credit months. Your average final salary is used in determining your retirement benefit.

Beneficiary: The person, estate, organization or trust you have designated to receive any benefits that are payable upon your death.

Cost-of-living adjustment (COLA): On July 1 of every year that follows your first full year of retirement, your monthly benefit will be adjusted.

Defined benefit: A benefit that is based on a set formula. The benefit is paid for your lifetime.

Domestic partner: Qualified domestic partners have the same survivor and death benefits as married spouses. However, differences could occur in how taxes are handled on a federal level. In a qualified domestic partnership, both individuals have met the state’s legal requirements and registered their partnership with the Secretary of State’s Office or another jurisdiction. Contact the Secretary of State’s Office if you have questions about the requirements.

Dual member: An individual who has established membership in more than one of the state of Washington’s retirement systems, including first-class city retirement systems for Seattle, Spokane and Tacoma.

Reduced benefit: A benefit that has been decreased by a factor provided by the Office of the State Actuary. Benefits are reduced in two situations: When you retire early; or you retire and select a survivor benefit option (which continues to pay a benefit to a survivor after your death).

Service credit: The credit you receive each month for working in a position covered by one of the state of Washington retirement systems. Service credit is used to determine your eligibility for retirement and your benefit amount.

Survivor: Your spouse or domestic partner who will receive payment if you die after retirement and selected a retirement option which provides for a survivor.

Vested: Once you have five or more years of service credit in WSPRS Plan 2, you are considered “vested,” which means that you have earned the right to receive a retirement benefit once you reach an eligible age.
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