



Retirement Outlook

Newsletter
Winter 2022

DRS required to refund inactive Plan 1 and Plan 2 account balances less than \$1,000

Recent legislation requires the Department of Retirement Systems (DRS) to close inactive, non-vested Plan 1 and Plan 2 accounts when the balance is less than \$1,000. DRS will reach out soon to people with such accounts.



Distributions will be made at least 30 days following written notification of our intent to refund. Those notified can choose to receive funds via check, direct deposit or as a rollover to an eligible account.

If not directed otherwise, we will refund account balances via check to the mailing address we have on file. The amount we refund will include all final interest accumulated, less mandatory federal withholding.

Inactive members that fall under this provision can receive their funds sooner by completing the **Withdrawal of Retirement Contributions Form**.

Account closure also eliminates any service credit, though normal restoration provisions will be available.

To update contact information or for other questions about your retirement account, contact us via your online access or drs.wa.gov/contact.



1099-R tax form available online Jan. 22

Looking for your 1099-R form for tax purposes? The forms will be available beginning Jan. 22. You can access it by signing in to your retirement account (drs.wa.gov/oaa) and then selecting the 1099-R link from the main menu. From there, you can view it or print a copy. Hard copies will be mailed by the end of January.

For Plan 3 and DCP members, starting Feb. 1, any additional 1099-R forms for your investment accounts will be available under “Statements and Documents” when you select your plan from your online account.

Pension Payments for 2022			
Jan 31	Feb 28	Mar 31	Apr 29
May 31	Jun 30	Jul 29	Aug 31
Sep 30	Oct 31	Nov 30	Dec 30

Upcoming live webinars

Purchasing an annuity	Feb. 15	March 15
Working after retirement	Feb. 16	
Benefit options	Feb. 17	March 15
Plan 3	Feb. 17	March 16
DCP withdrawals		March 17
Early retirement		March 16

➔ See more webinars at drs.wa.gov/webinars

Find out more about your retirement with a DRS live webinar

Want to know more about financial wellness? DCP makes saving for retirement easy. You can find out more by attending a [live DCP webinar](#). Want even more convenience? You can view a recorded version of the DCP webinar.

Webinars are offered for each DRS retirement plan and many other topics related to retirement. You can find out more about these and other webinar offerings on the [Webinars](#) page.



Featured webinars

Deferred Compensation Program

DCP makes saving for retirement easy. Find out about flexible contributions, tax benefits and withdrawal options.



Nearing Retirement

Retiring in the next few years? Half-day retirement seminars are currently being offered online.



Nearing retirement? DRS makes it easy

DRS makes retiring as easy as possible. If you're within a few years of your planned retirement, there are several steps that you should begin to take.



One to two years from retirement:

Be sure you have signed up for your online retirement account. With an **online account**, you can view all of your retirement accounts that DRS administers. Here, you can use the Online Benefit Estimator to estimate your future monthly benefit. And you can use your online account to verify the accuracy of your service credit.



3 to 12 months before retirement:

Request an official estimate from DRS. You can do this through your online account or by calling DRS.



30 to 90 days before retirement:

Apply for retirement through your online account.



At retirement: Make sure the retirement information on your benefit letter is correct. You'll receive this letter once DRS calculates your monthly benefit.

These are just a few of the steps you should take during the retirement process. For a complete checklist of steps and more resources, visit the **Retiring** section of the DRS website.

Save more with DCP in 2022

The IRS has increased the amount you can deposit into your Deferred Compensation Program (DCP) account. Beginning Jan. 1, here is the maximum amount you can contribute:

- \$20,500 annually if you are under age 50
- \$27,000 annually if you are 50 or older

If you're already a DCP participant, now is a great time to consider increasing your contributions.

If you're not a participant, consider signing up. Saving a little extra now can make a big difference in your retirement income. Contributions are automatically deducted from your paycheck, so saving is easy. You can start with as little as 1%.

DCP calculator

Use the DCP calculator to see how much you could save for retirement over the next 20 years.

DCP FAQs:

What is DCP?

A voluntary savings program that helps you save more for retirement.

When can you join DCP?

Anytime of the year! Check with your employer to see if DCP is available for you. Visit drs.wa.gov/dcp for more info.

When can you change your DCP contributions?

Change your contributions online anytime. Your changes can take up to 30 days depending on your employer's payroll cycle.





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Outlook to go fully digital

With the launch of the redesigned DRS website in August, this will be the last Outlook that's printed.

Sign up for a digital subscription to receive alerts via text or email when new content is published.

drs.wa.gov/updates

For those who prefer to have paper, it's easy to print from the site. Just select "Print" at the top of the page. Or, save some paper and view the site on your phone, tablet or computer.

Wanted: website feedback

When you visit drs.wa.gov, you'll find a redesigned site with streamlined navigation and enhanced search features.

The new plan guides make it easy to find information. Just select your plan and check the table of contents. Or, try the search bar or the Site Index.

We'd love to hear your thoughts about the new site. While we can't answer questions about your account, we appreciate your feedback via drs.communications@drs.wa.gov



The Washington State Department of Retirement Systems publishes *Retirement Outlook* twice a year.

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