

**From:** [REDACTED]  
**To:** [ETF SMB Board Feedback](#)  
**Subject:** Feed back on Deferred Compensation  
**Date:** Thursday, November 30, 2023 1:15:28 PM

---

**CAUTION: This email originated from outside the organization.  
Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hello,

My name is Fannie Rhodes and I retired from State service in 2017. I just want to ask why retirees cannot participate in the Deferred Compensation Program specifically?

I pay taxes out of Pension. I think my contributing to Deferred Comp could offset some of my taxes for now and pay them later.

Sincerely,  
Fannie Rhodes

Sent from [Mail](#) for Windows



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
A. John Voelker  
SECRETARY

Wisconsin Department  
of Employee Trust Funds  
PO Box 7931  
Madison WI 53707-7931  
1-877-533-5020 (toll free)  
Fax 608-267-4549  
[etf.wi.gov](http://etf.wi.gov)

November 30, 2023

Fannie Rhodes  
[REDACTED]

Dear Fannie Rhodes:

I'm responding to your November 30, 2023, email asking why retirees may not participate in the Wisconsin Deferred Compensation Program (WDC). I will include your email and this response with the materials for the next Board meeting.

Thank you for your interest in the WDC, a supplemental retirement savings plan for public sector employees authorized under section 457 of the federal Internal Revenue Code (IRC). The WDC must follow strict rules in order to maintain plan eligibility under the IRC, including those related to how compensation may be deferred to the plan. Only actively working employees may defer compensation.

The Internal Revenue Service (IRS) defines compensation as "any form of money remuneration paid to an individual for services rendered as an employee to one or more employers" which means salary and/or wages. As a retired State of Wisconsin employee, you are not earning salary or wages from the State, so you do not have any cash compensation to defer to the WDC as defined by the IRS.

Please let me know if you have any other questions regarding the WDC using the contact information below.

Sincerely,

Shelly Schueller, Director  
Wisconsin Deferred Compensation Program  
Department of Employee Trust Funds  
[shelly.schueller@etf.wi.gov](mailto:shelly.schueller@etf.wi.gov)  
(608) 266-6611