



Additional Contributions

A Saving and Investing Topic

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

Objectives

By the end of this presentation, you will be able to:

- Define additional contributions
- Identify how additional contributions increase your retirement fund
- Find and use ETF resources to calculate your additional contribution amount
- Arrange to make additional contributions to your WRS account(s)



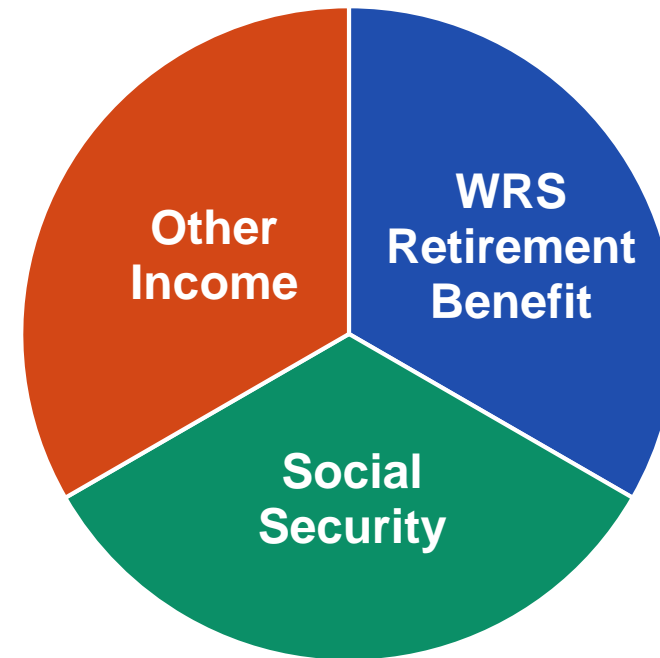
Additional Contributions

Defined

Other Income for Retirement

- Savings
- IRAs or other tax-deferred accounts
- Post-retirement employment
- **Additional Contributions!**

Retirement Income



Definition

Required Contributions

Before Taxes

Payroll Deduction

Additional Contributions

Optional

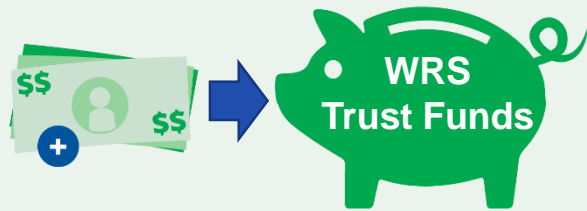
After Taxes

Payroll deduction or send payment to ETF

Can leave on deposit until RMD age

Interest Earned

Additional Contributions
will be invested in the
WRS Trust Funds



50% will go in the
Variable Fund, if you
participate

Interest Earned



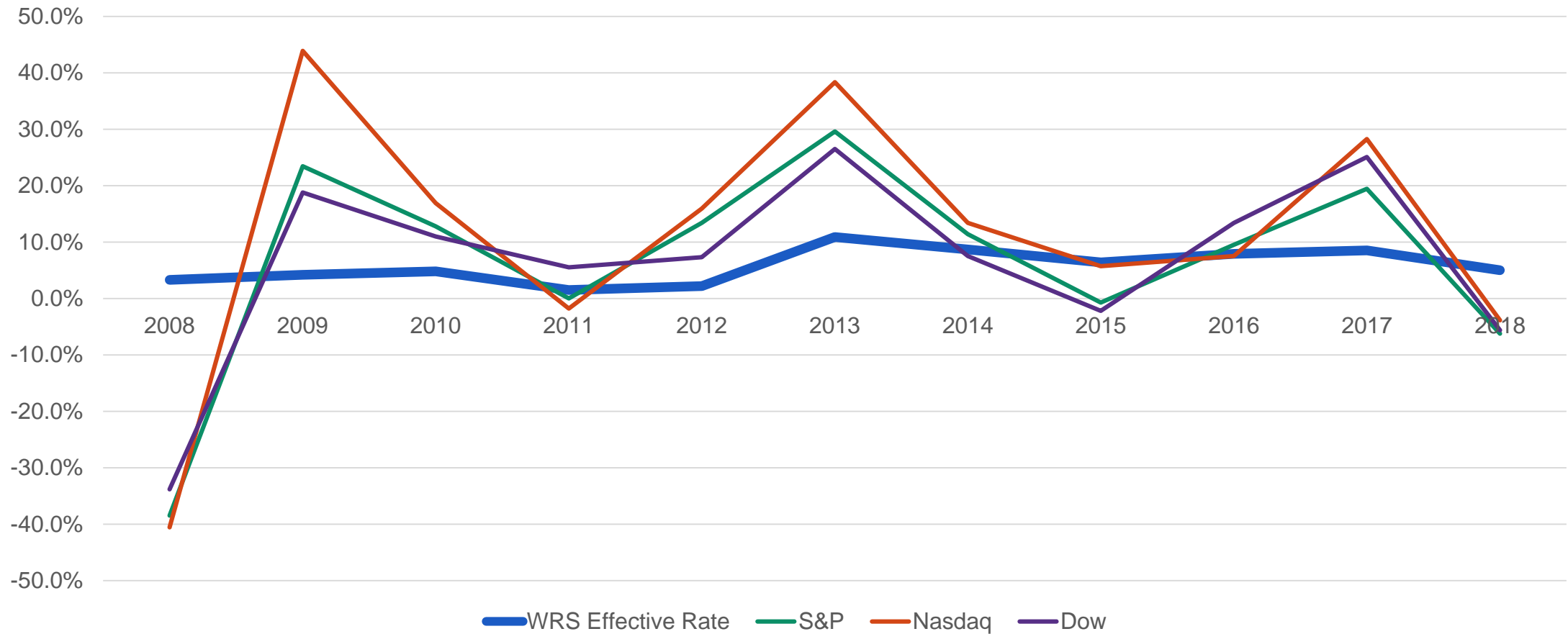
Based on investment
performance

WRS Account Credited



Each year

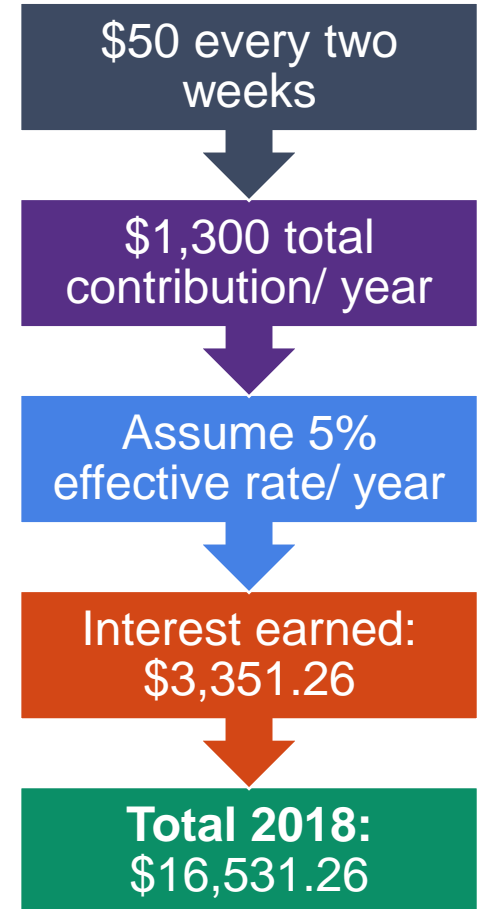
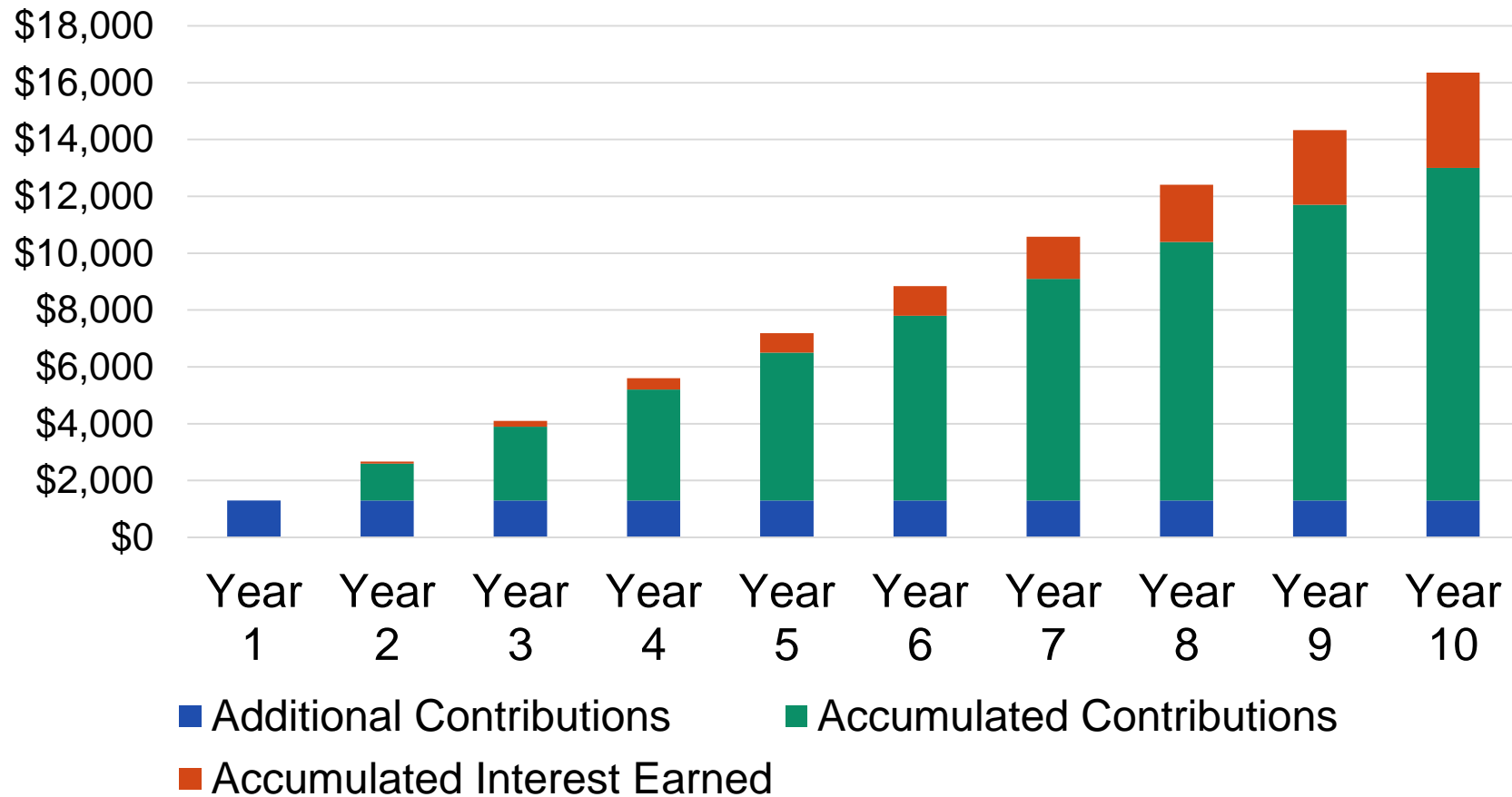
WRS Performance



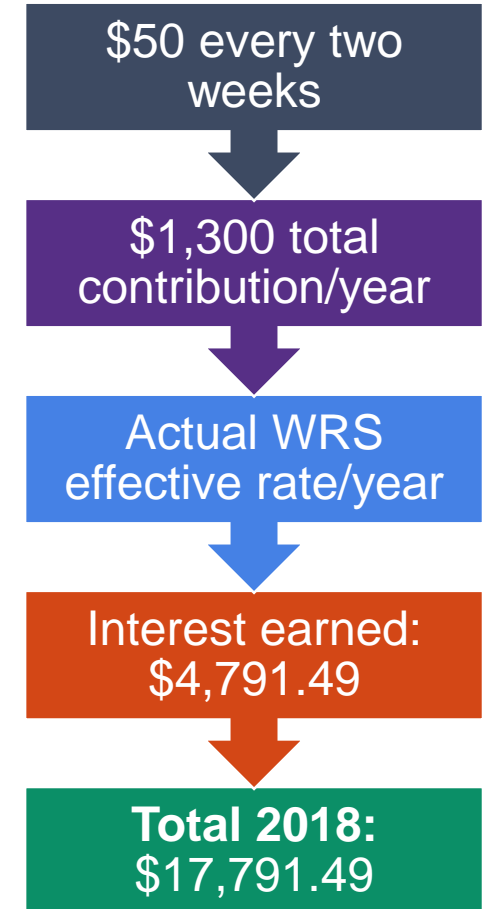
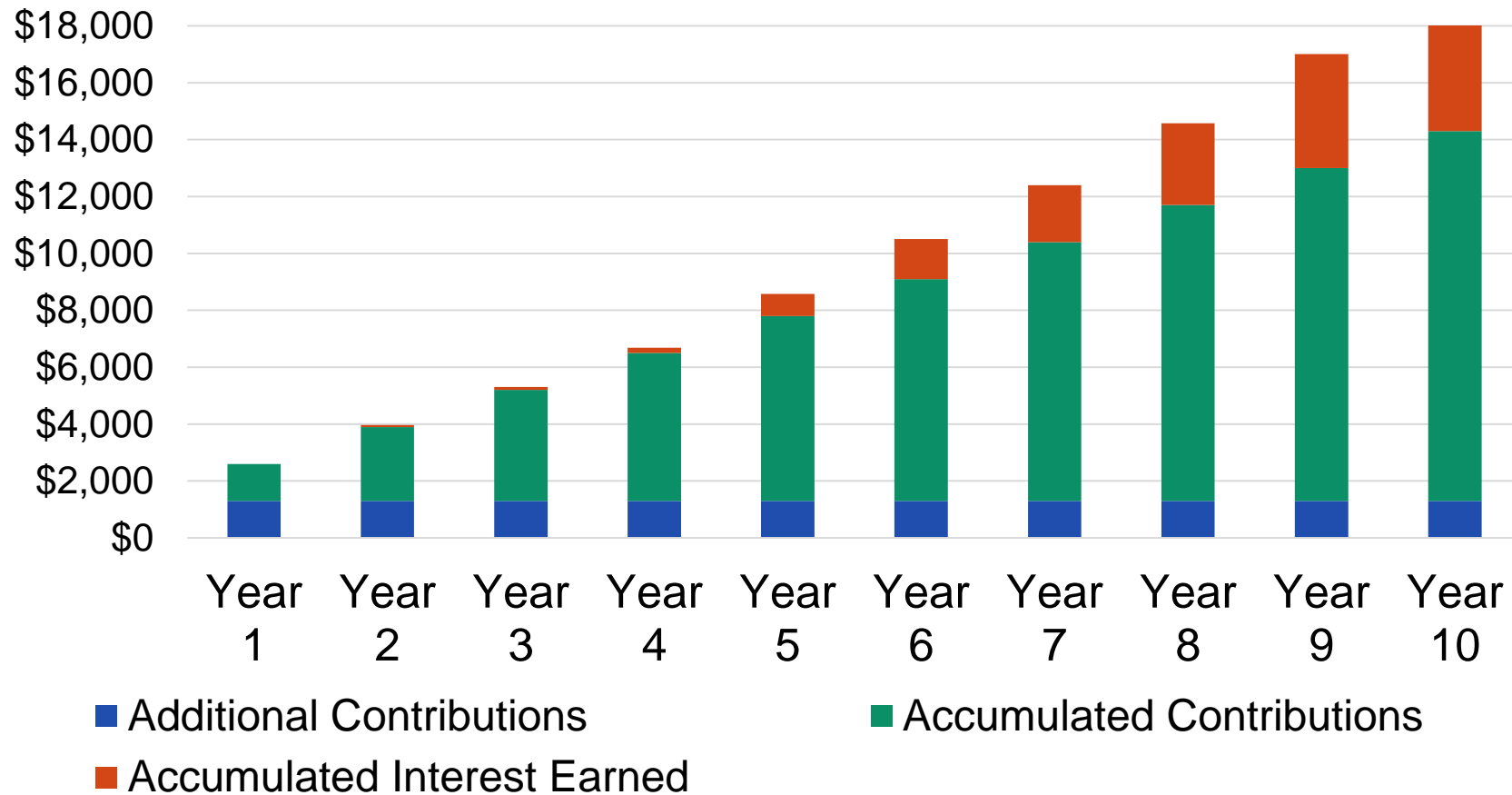


Examples

Assumed 5% Interest Rate



Actual WRS Effective Rate





Making Additional Contributions

2 Ways to Begin

Payroll Deduction



Speak with your employer

OR

Direct Payment



Check or money order sent to
ETF + Additional Contributions
Remittance (ET-2545) form



Using Additional Contributions

After retirement

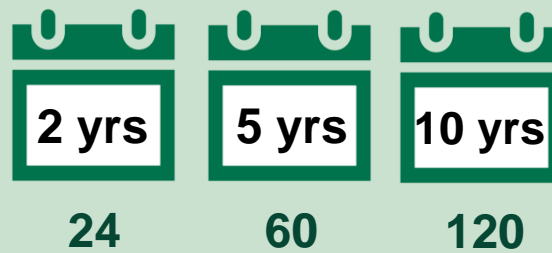
Distribution Options

A Life Annuity



Minimum payment or annuity begin date

Annuity Certain



Or 25-180 months (you choose)

Lump Sum (one-time payment)



Eligible for a direct rollover

Estimates and Application Benefit Payment Options Example

BENEFIT PAYMENT OPTIONS (based on above data)

Check only one box for you Monthly Retirement Benefit. **Check only one box** under Employee Additional Contributions Benefit if you want to apply for your employee additional contributions at this time.

	MONTHLY RETIREMENT BENEFIT						EMPLOYEE ADDITIONAL CONTRIBUTIONS BENEFIT			
	Regular	OR	Accelerated Payments							
			Until Age 62	After Age 62						
Life Annuity Options:										
• For Annuitant's Life Only	<input type="checkbox"/>	\$845	OR	<input type="checkbox"/>	\$1,713	\$650	<input type="checkbox"/>	\$241	01	
• Life with 60 payments Guaranteed	<input type="checkbox"/>	\$841	OR	<input type="checkbox"/>	\$1,711	\$648	<input type="checkbox"/>	\$240	02	
• Life with 180 payments Guaranteed	<input type="checkbox"/>	\$811	OR	<input type="checkbox"/>	\$1,687	\$624	<input type="checkbox"/>	\$231	04	
Joint and Survivor Annuity Options:										
Named survivor, birthday and relationship used in estimate:						8/29/1946	SPOUSE			
• 75% Continued to Named Survivor*	<input type="checkbox"/>	\$770*	OR	<input type="checkbox"/>	\$1,655	\$592*	<input type="checkbox"/>	\$220	* 07	
• 100% Continued to Named Survivor	<input type="checkbox"/>	\$748	OR	<input type="checkbox"/>	\$1,639	\$576	<input type="checkbox"/>	\$213	11	
• Reduced 25% on Death of Annuitant or Named Survivor*	<input type="checkbox"/>	\$794*	OR	<input type="checkbox"/>	\$1,674	\$611*	<input type="checkbox"/>	\$227	* 09	
• 100% Continued to Named Survivor with 180 Payment Guaranteed	<input type="checkbox"/>	\$745	OR	<input type="checkbox"/>	\$1,637	\$574	<input type="checkbox"/>	\$213	12	
Annuity Certain – Additional Contributions Only										
Payable for 24 Months	<input type="checkbox"/>						<input type="checkbox"/>	\$1,719	29	
Payable for 60 Months	<input type="checkbox"/>						<input type="checkbox"/>	\$738	30	
Payable for 120 Months	<input type="checkbox"/>						<input type="checkbox"/>	\$413	31	
Payable for <input type="text"/> Months (write in 25-180)	<input type="checkbox"/>						<input type="checkbox"/>		21	
The amount shown is prior to 25% reduction upon death.										
Lump Sum, Payment Option:		Required Contributions				Additional Contributions				
		<input type="checkbox"/> NOT ELIG				<input type="checkbox"/> \$39,228 50				



Resources

Annual Returns, Rates and Adjustments Page

Rate of return

Effective rate of interest

Annuity adjustment

Yearly list of each since 1986

etf

Benefits Retirement WRS Performance News Member Education Employers

About ETF Contact Us My Info

Search Q

WRS Performance / Annual Returns, Rates and Adjustments

Annual Returns, Rates and Adjustments

WRS investment performance directly affects WRS benefits

The table below shows investment performance of the WRS trust funds and the impact on WRS members since 1986.

- Preliminary, year-to-date returns are communicated monthly and yearly via our web site, social media and member newsletters.
- Effective rates are applied to your WRS account balances and appear on your annual WRS Statement of Benefits. ETF distributes these statements in April.
- Investment returns also affect annual adjustments to WRS retirees' monthly pensions. ETF notifies retirees about benefit payment changes in April.

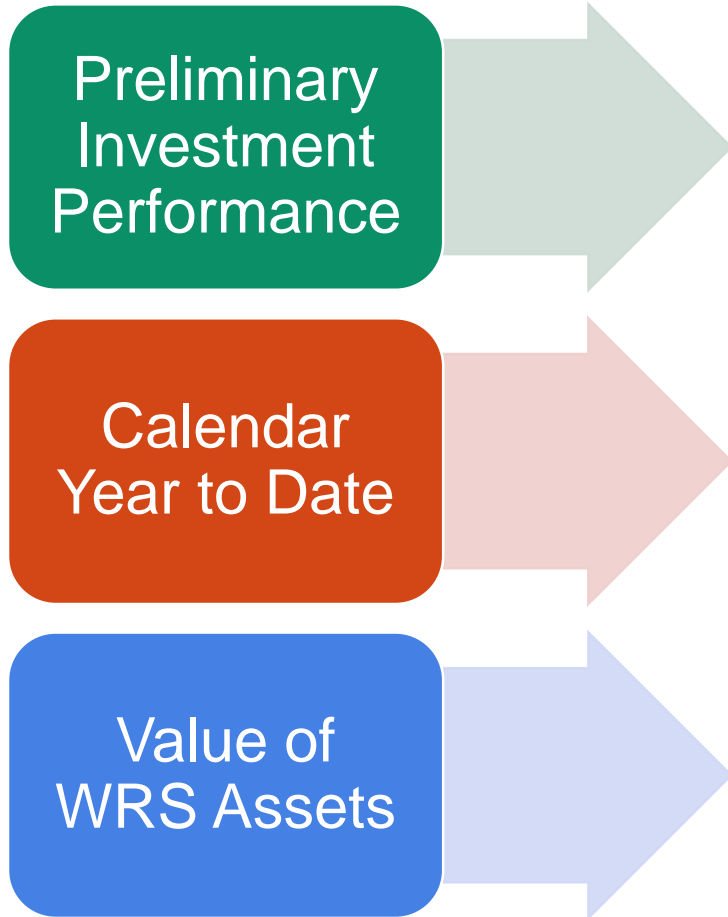
Key Actions

[Search for rates by year.](#)

WRS Performance

[Latest Investment Performance](#)

Latest Investment Performance Page



The screenshot shows the website's navigation menu with links for Benefits, Retirement, WRS Performance, News, Member Education, and Employers. The breadcrumb trail indicates the current location: WRS Performance / Latest Investment Performance. The main heading is 'Latest Investment Performance'. Below this, a paragraph states: 'The Wisconsin Retirement System is financially very strong. In fact, approximately 75% of funds needed to pay WRS benefits are generated from one source: investment earnings. Investing the assets of the WRS is the responsibility of the State of Wisconsin Investment Board.' The section title is 'Preliminary WRS Investment Performance*' with a sub-note 'as of October 31, 2019'. A table with two columns, 'Performance' and 'Benchmark', is partially visible. On the right, a 'Related Resources' sidebar lists links for 'State of Wisconsin Investment Board (SWIB) Information on WRS Performance' and 'How Benchmarks Measure Investment Performance'. A 'WRS Performance' link with a right-pointing arrow is at the bottom right.

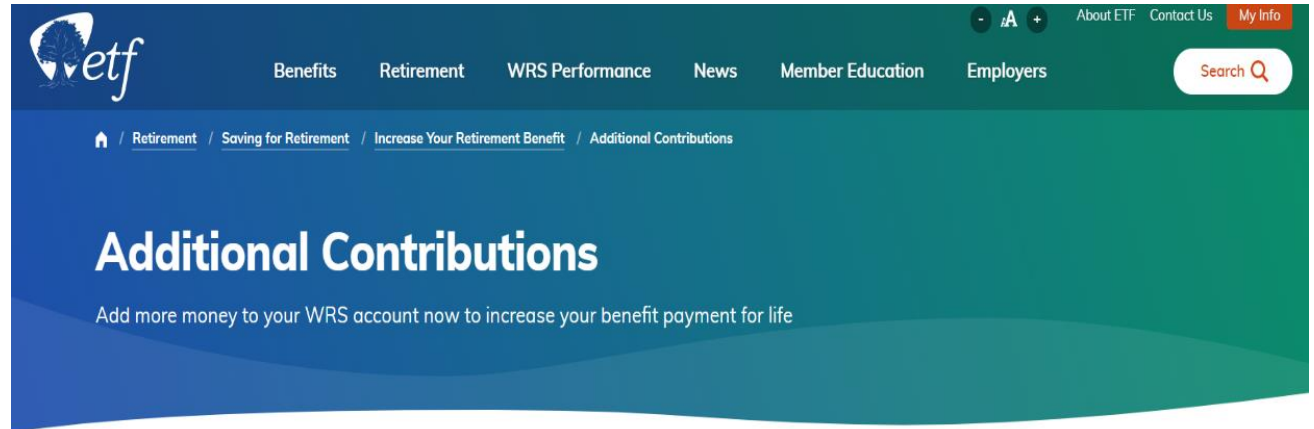
Additional Contributions Page

Information for making additional contributions

Maximum Additional Contribution Worksheet (ET-2566)

Additional Contributions (ET-2123) brochure

Additional Contributions Remittance (ET-2545) form



As a WRS employee, you can put extra money into your WRS account so you have more income for retirement. These additional contributions earn the same rate of interest as your employee-required contributions. The amount of money that you can contribute each year (for both required and additional contributions) is set by federal tax law. Completing a [Maximum Additional Contribution Worksheet \(ET-2566\)](#) will help you calculate your maximum additional contribution amount.

Please Note: You may not make additional contributions once you have terminated all WRS-covered employment.

Contribute More

Related Resources

[Maximum Additional Contribution Worksheet \(ET-2566\)](#)

[Additional Contributions \(ET-2123\)](#)

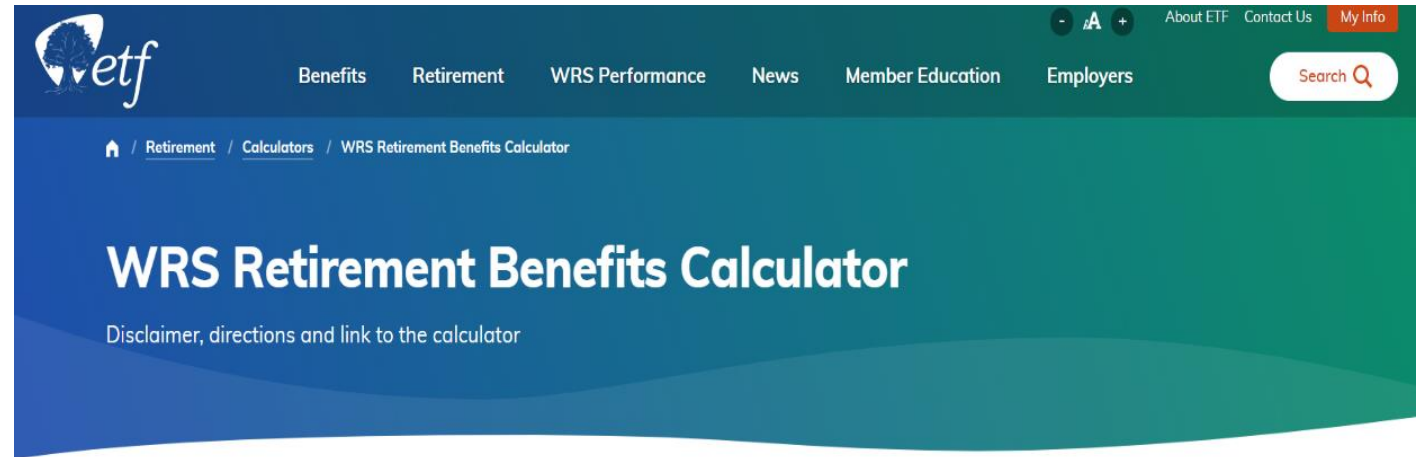
[Retirement](#)



WRS Retirement Benefits Calculator

Get an unofficial estimate of your benefit

See how additional contributions will affect your WRS retirement benefit total



This WRS Retirement Benefits Calculator is a tool that can give you an unofficial estimate of your benefit as you plan for retirement. Contact ETF for your official estimate and application 6-12 months before you plan to apply for benefits.

- You must be vested and at least age 55 as of your benefit begin date (or age 50 if you have earned -not purchased- WRS service in a protective occupation).
- Your benefit will be based on the higher of a "Money Purchase" or "Formula" calculation. This calculator is set up to estimate retirement benefits under both methods. It does not use information from your account. You must enter all the related information for it to provide your highest benefit estimate.

Key Actions

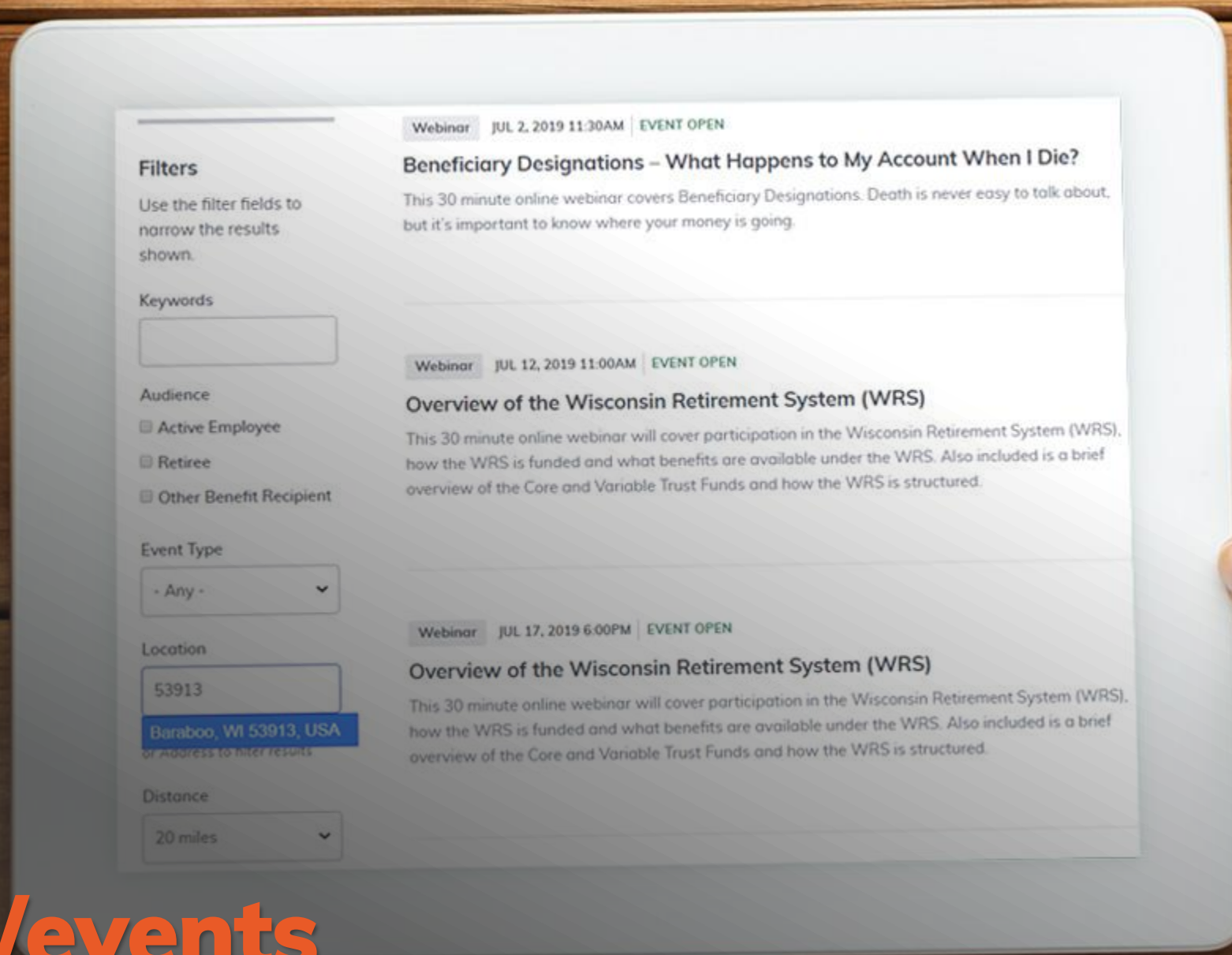
Get an unofficial estimate of your benefit as you plan for retirement.

Retirement



Find more
webinars and
events

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