



Nathan Mack
Presenter

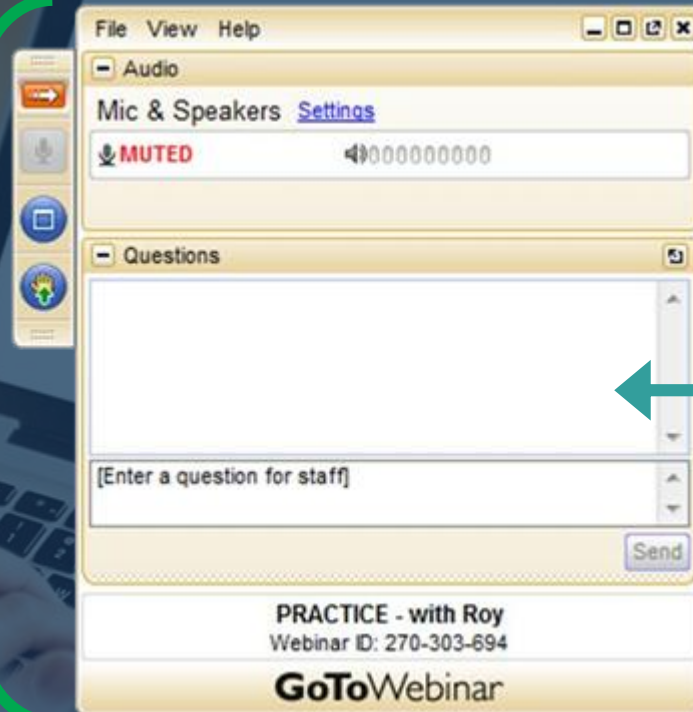
Additional Contributions

Wisconsin Retirement System



How to Participate:

Click to maximize dashboard



Ask questions once the presentation has ended.

You will be muted for the entire webinar.

Agenda

- Features and Benefits
- Additional contribution examples
- Payment Calculation and options
- Reference materials
- Q&A

The 6 Pillars Supporting Your Path To Financial Readiness

- 1) WRS retirement benefit
- 2) Social Security
- 3) WRS employer tax-deferred accounts
- 4) IRAs, other tax-deferred savings
- 5) Post-retirement employment
- 6) And...



Additional Contributions

Features and Benefits

- Voluntary, after-tax additional contributions to supplement retirement benefits
- Direct Contribution or Payroll Deduction (participation varies by employer)
- Core only or Core & Variable
- Can leave on deposit until age 70 ½
- Taxes paid only on interest accumulated



Additional Contributions

Features and Benefits

- No fees
- Maximum contribution in 2019 is \$56,000 or your WRS earnings for that year, whichever is less
- Make contributions until your employment termination date
- Positive effective rates (as of 1/1/2019)



Additional Contributions Example

- \$50 every two weeks
- \$1,300 total contribution for each CY
- Starting in 1998
- 5% interest each year for 20 years

*Rates subject to change!



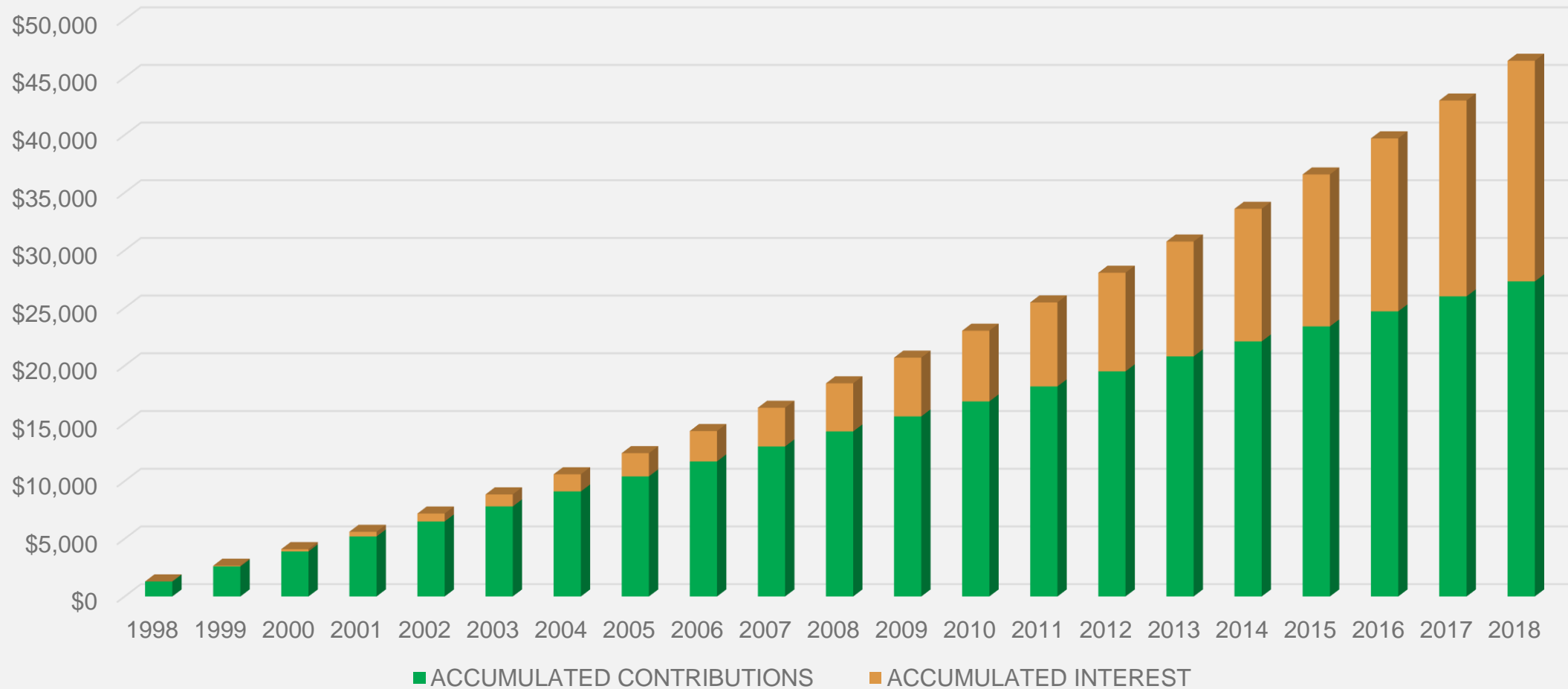
Contributions to 5% Interest Bearing Account

5% Returns January 1, 1998 – December 31, 2017

Contributions: \$26,000

Interest: \$16,986

Balance: \$42,986



Additional Contributions – 5/6/2019

**Now let's look at the same investment using
Additional Contributions
January 1, 1998 through December 31, 2017**

***Rates subject to change!**

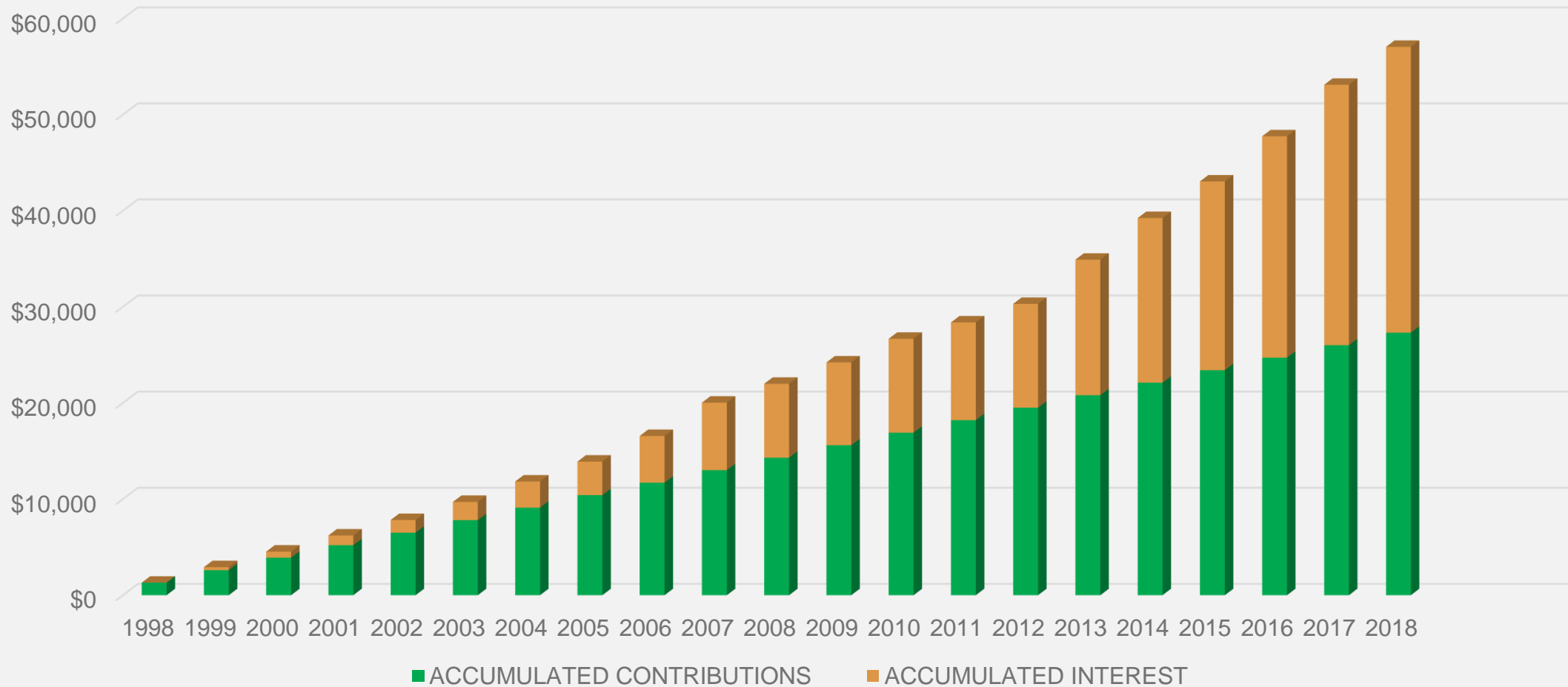
WRS Core Fund Additional Contributions

*Actual Core Fund Returns January 1, 1998 – December 31, 2017

Non-Taxable Contributions: \$26,000

Taxable Interest: \$32,039

Balance: \$58,039



With a contribution amount of \$50 every two weeks, let's compare the 5% returns to the WRS core fund returns.

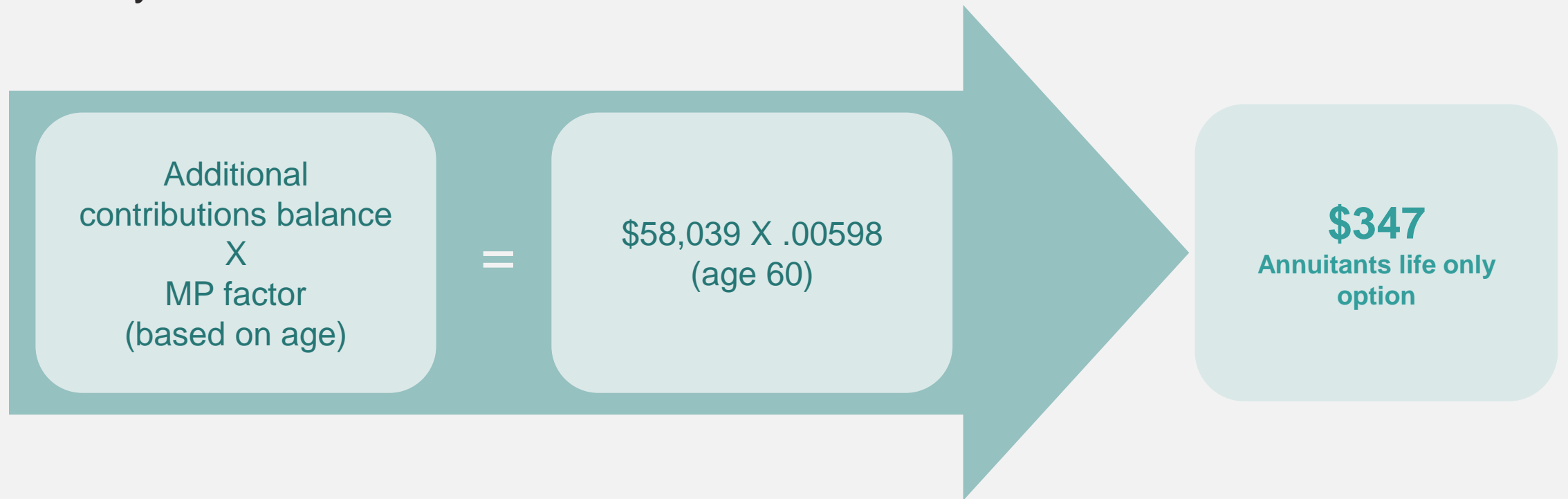
\$42,986 vs \$58,039

The WRS effective rates outperformed the 5% returns by \$15,053

*** Rates subject to change**

Additional Contribution Payments

Money Purchase Calculation



Additional Contributions

Features and Benefits

- Positive effective rate (as of 1/1/2019)
- 7 Life-time options, 3 certain period options, lump sum option or, deferment
- Automatic 5% in retirement payments
- Annual adjustments (investment performances)
- Floor (core fund only)
- Variable fund



Reference Webinars

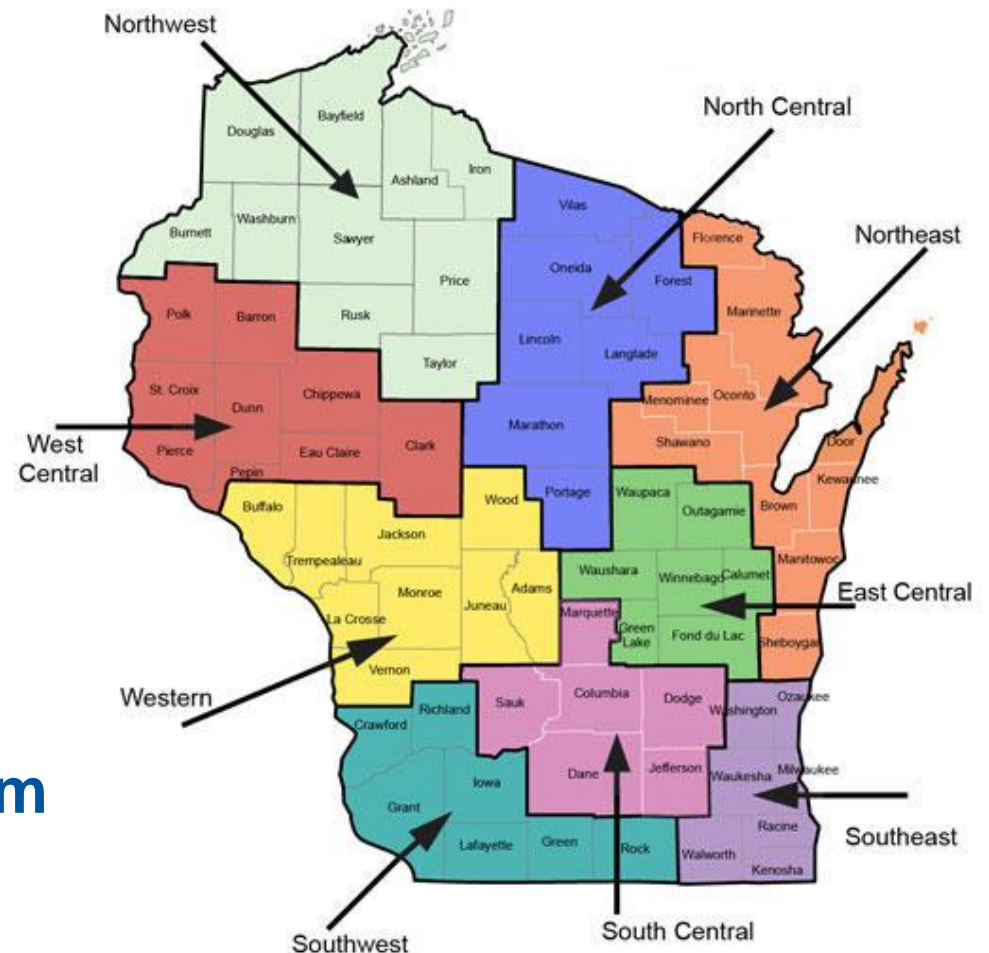
- Annuity options
- WRS annuity adjustments & effective rates
- Variable Fund
- Link to webinars- http://etf.wi.gov/member_education.htm

Reference Materials

- [Additional Contributions Remittance](#)
- [Additional Contributions Brochure](#)
- State of Wisconsin Investment Board (SWIB) website-
<https://www.swib.state.wi.us/>
- SWIB Historical Rates-
https://docs.wixstatic.com/ugd/69fc6d_8265f8fea691414e935d0b37a54c807e.pdf

Face-to-Face Events

- Regular visits statewide
- Daytime group retirement appointments
 - Retirement packet required
 - Appointment required
- Evening benefits presentations
 - New and mid-career employees
 - Nearing retirement
- Visit etf.wi.gov/member_education.htm and click **Face-to-Face** to learn more.



Reminders

- Presentation is emailed 24-48 hours
- Quick survey

A family of three—a woman with curly hair, a man, and a young girl—are walking together on a dirt path through a lush, green forest. The woman is on the left, the man is on the right, and the girl is in the center, slightly in front of them. They are all smiling and appear to be enjoying their walk. The background is filled with tall trees and dense foliage. The entire image has a dark blue overlay.

Questions?

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