



Helping You Turn  
Over a New  
Retirement Leaf

## The Benefits of Enrolling in the Wisconsin Deferred Compensation Program (WDC)

*Saving through the WDC is a simple way to help supplement your WRS retirement and Social Security benefits. It can help you bridge the gap between your financial situation now and your goals for retirement. It's important to plan for your future—but you don't have to do it alone. Take advantage of all the help available to you.*

### Get an early start

The sooner you start saving and investing, the better. Waiting even a few years can make a big difference in the amount you might have in your account when you retire. Take a look at what contributing just \$50 per month starting at age 25 versus age 45 could mean for your monthly retirement income, thanks to the power of potential compound growth:

Starting Age	Potential Additional Monthly Retirement Income
25	\$713
35	\$360
45	\$166

FOR ILLUSTRATIVE PURPOSES ONLY. This is a hypothetical illustration intended to show possible retirement income. It is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice. It assumes a 6% annual rate of return, reinvestment of earnings and that the payee lives 20 years in retirement. Rates of return may vary. Distributions from a tax-deferred retirement plan may be taxable as ordinary income. The illustration does not reflect any associated charges, expenses or fees. The hypothetical income shown would be reduced if these fees and/or taxes were deducted.

### Save what you can

There is no minimum contribution amount to participate in the WDC. This means that even if you can't contribute much now, you can still get started saving for your future. Then, as you are able to save more, increase your contributions. You can contribute 100% of your salary or up to the annual limits set by the IRS, whichever is less. Check the News & Updates tile at [wdc457.org](http://wdc457.org) for the current year's limits. If you are over age 50 or are within three years of retirement, you may be able to take advantage of catch-up contribution limits, which are higher than the normal limits. And, unlike many retirement plan types, there is no 10% early withdrawal federal tax penalty for distributions taken from your WDC account before age 59½ (except for distributions attributable to funds you may roll into the WDC Program from another type of retirement plan or IRA).

### Potentially lower fees

With the WDC, you can take advantage of competitive administrative fees (ranging from \$0-\$17.25 per month depending on your account balance) and low investment fees, thanks to the large number of state and local employees participating in the WDC.

## Choose before-tax or after-tax Roth contributions

You have the freedom to choose before-tax traditional or after-tax Roth contributions. This means you can decide whether to pay taxes when you take a distribution or pay them now to essentially lock in your current tax rate.

	Before-tax (Traditional)	After-tax (Roth)
Is my contribution taxable in the year I make it?	No	Yes
Is my contribution taxed when distributed?	Yes <sup>1</sup>	No
Are potential earnings on my contributions taxed when distributed?	Yes <sup>1</sup>	No, provided the distribution occurs after age 59½, death or disability, and no earlier than five years after your first Roth contribution*

\*Earnings on Roth contributions will be taxed unless withdrawals are a qualified distribution as defined by the IRS.

<sup>1</sup> Withdrawals are subject to ordinary income tax.

## Build your own investment portfolio, or get help from professionals

With the WDC, you can choose from a wide variety of investment options, no matter your level of comfort or interest making investment decisions.

1. Build your own portfolio—Create your own investment portfolio from the core options available in the WDC, ranging from conservative to more aggressive, including access to a self-directed brokerage account. The SDBA is intended for knowledgeable investors who understand the risks associated with the SDBA.
2. Choose a pre-mixed portfolio—Select one of the pre-mixed target date funds based on your target retirement date (the date you will turn 65) and your risk tolerance. The allocation of these funds is designed to become more conservative as you get closer to your target date, although the principal value of the funds is not guaranteed at any time (including the target date).
3. Get professional assistance with Empower Advisory Services, provided by Empower Advisory Group, LLC, a registered investment adviser. These services include Online Advice and My Total Retirement™.

## Local Retirement Plan Advisors available to meet with you

Seven local, salaried representatives are dedicated to helping WDC participants work toward their retirement goals. You can attend group presentations or one-on-one meetings, including a Retirement Readiness Review, all at no additional cost to you.<sup>1</sup> You can schedule a meeting online at [wdc457.org](http://wdc457.org)—just click on *Schedule a Meeting*, then follow the prompts for either a group or one-on-one session.

### Enroll today!

#### Go to [wdc457.org](http://wdc457.org)

- Click on the *REGISTER* button
- Click on *I have a plan enrollment code*
- Enter Group ID:
- Enter Plan Enrollment Code:
- Select Division/Employer Name:

Code Expiration Date:

The website will guide you through the enrollment process. Continue the process until you receive your confirmation number (keep this for your records), and you are on your way to a more comfortable retirement!

### More information about the WDC, including Program Highlights, is available online at [wdc457.org](http://wdc457.org) or by calling (877) 457-WDCP (9327).

<sup>1</sup> The Retirement Readiness Review is provided by an Empower representative registered with Empower Financial Services, Inc. and may provide recommendations at no additional cost to participants. There is no guarantee provided by any party that use of the review will result in a profit.

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