

HELP YOUR EMPLOYEES SOAR



KPERS and KPERS 457 are better together

KPERS 457 is the State's deferred compensation plan. It's an additional savings option designed to help your employees supplement their KPERS or KP&F pension for a more sound retirement.

Why add KPERS 457?

Many financial professionals suggest replacing at least 80% of one's income for retirement. KPERS and Social Security probably won't be enough, especially for KPERS 3 members. KPERS 457 provides an easy way for employees to save.

And it's offered at no cost to employers.



Here's how it works:

- ▶ No minimum number of employees
- ▶ Roth or pretax option
- ▶ Contributions automatically deducted from employee's pay
- ▶ Employees can contribute as little as \$12 per pay period
- ▶ Employers are not required to match contributions
- ▶ You can offer KPERS 457 if you already have a 457(b) or 403(b) plan
- ▶ Most Kansas public employers — even those without KPERS — can offer KPERS 457
- ▶ Easy to adopt
- ▶ KPERS handles fiduciary duties, reducing your workload and liability
- ▶ Counselors are salaried
- ▶ A State-provided benefit available to you, as an employer, to add KPERS 457 for your employees



KPERS and KPERS 457 = big picture

KPERS and KPERS 457 are separate benefits, but the two plans work together to help employees see the big picture when it comes to their retirement. When a KPERS 457 participant logs in to their account, they can see their pension info (if they are a vested member) along with a Social Security estimate (if they contribute).

Costs to participants over 30 years



Administrative expenses

FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not represent the performance of any investment options and does not include all plan expenses. It assumes a beginning balance of \$20,000, contributions of \$100 every two weeks and a hypothetical 6% annual rate of return with reinvestment of all earnings and no withdrawals.

The chart above compares the KPERS 457 annual cost of 0.148% with other plans' potential costs up to 0.90%. It may not sound like much, but over the course of a long career, higher costs can result in thousands of dollars of expenses. Paying less may allow your employees to save more for retirement.

How much will it cost employees?

Sometimes it can be hard to see costs associated with retirement plans. There are usually administrative and investment costs. KPERS 457 makes them clear, fair and as low as possible.

0.148%	Service provider and fiduciary oversight
Vary by investment	Investment expenses charged directly by investment managers; vary by employee investment selection

The annual service/oversight rate is divided by 12 and deducted monthly based on a participant's account balance. That means for every \$1,000 invested, the administrative cost is \$1.48 a year.



Get started with KPERS 457 today!

Give us a call at **1-816-783-7049** if you have questions or need additional information.

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