

How do SWIB's investments affect me?

More than 262,000 public employees depend on the Wisconsin Retirement System (WRS) to help provide for their retirement. The **State of Wisconsin Investment Board (SWIB)** is the state agency responsible for investing the assets of the \$77 billion trust fund. These funds are used to pay retirement benefits to WRS participants like you. SWIB's responsibility is to ensure that the funds it invests will provide pension benefits to current and future retirees. SWIB shares WRS responsibilities with Department of Employee Trust Funds (ETF), the agency that manages individual accounts and benefits.

By law, SWIB follows strict guidelines and makes investment and operation decisions in the best financial interest of the trust funds. SWIB is overseen by an independent Board of Trustees and staffed with professional money managers, portfolio managers, and support personnel. Assets managed by SWIB are diversely invested in a wide variety of markets, including domestic stocks and bonds as well as international and emerging markets.



The WRS includes two trust funds, the Core Fund (formerly called the Fixed Fund) and the Variable Fund. The funds consist of contributions by participating employees, employers and investment earnings.

The Core Fund is the larger of the two trust funds and all WRS members have at least fifty percent of their pension contributions in the Core Fund. It is a balanced fund, invested for the long-term needs of the WRS. It includes investments in stocks, bonds, business loans, real estate, and private equity. Investment returns are smoothed over five years to buffer the effects of the markets on participant accounts.

The Variable Fund is a stock that offers the potential to earn higher long-term returns but also includes a higher degree of risk because of market volatility. Annual market changes affect Variable Fund accounts more directly because investment returns are not buffered by the five year smoothing. Active employees can choose to have up to fifty percent of their contributions placed in the Variable Fund. Once participation is cancelled, there is no opportunity to rejoin. More information about the Variable Fund is available on our website (<http://www.swib.state.wi.us/variable.asp>).

For more information about how WRS funds are invested, you can contact SWIB by email at info@swib.state.wi.us; call the Beneficiary Hotline toll-free (800) 424-7942 and in Madison at (608) 267-0957; or visit our website at www.swib.state.wi.us.

Historical Rate of Returns

