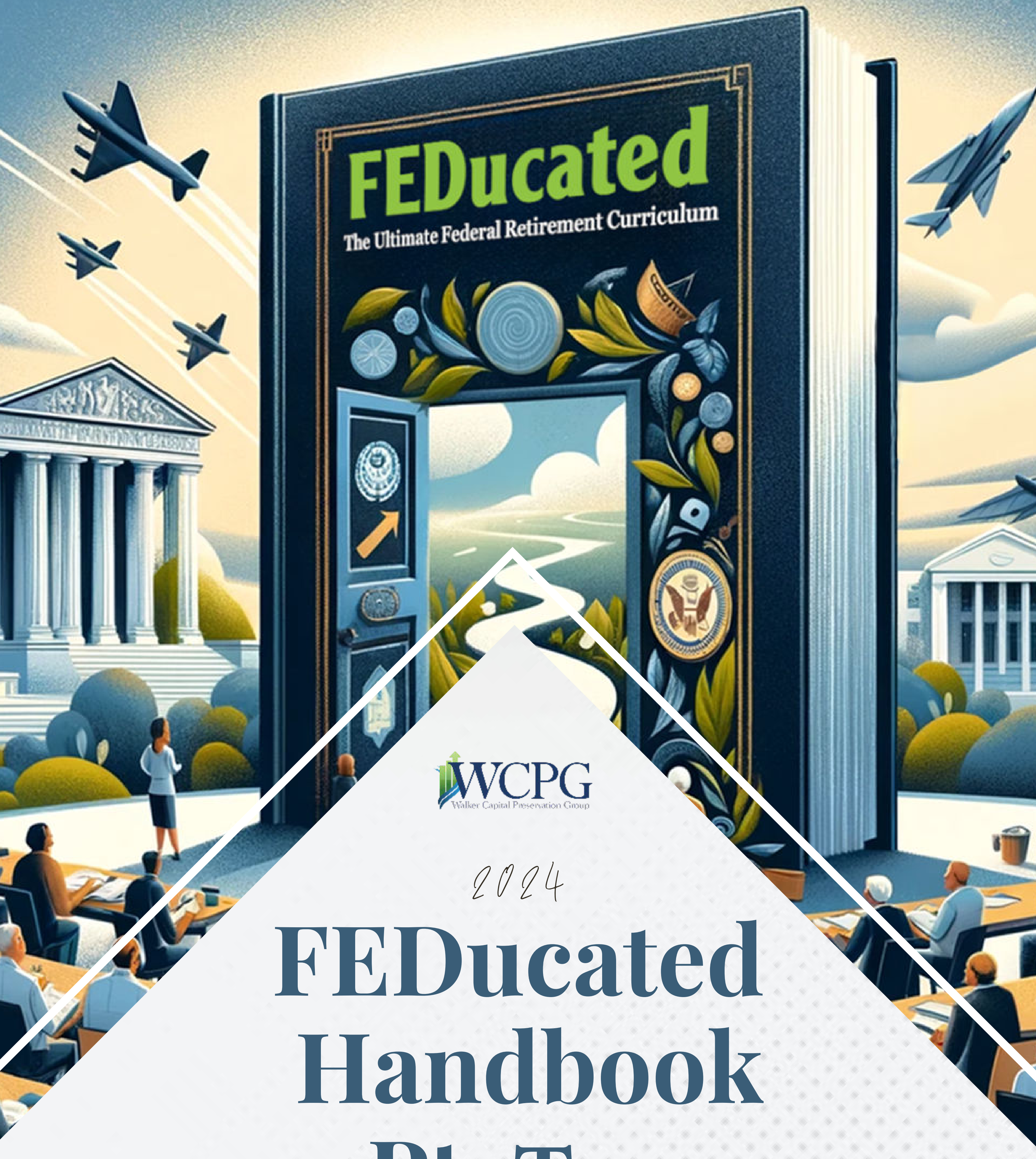


WCPG
Walker Capital Preservation Group

2024

FEDucated Handbook Pt. Two

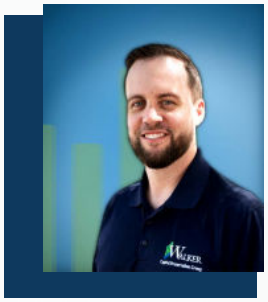
TSP 360: A Well Rounded Look

Retirement is a journey

OUR MISSION

Since 2014, Walker Capital's Mission has been to educate & empower today's Federal Employee to maximize their Retirement through proper positioning & seamless coordination of their Federal Benefits & Personal Assets.

MEET OUR TEAM



TOM WALKER, ChFEBC
Best-Selling Retirement Author

ABIGAIL DUENAS, ChFEBC
Federal Retirement Strategist

ED SLOTT'S MASTER ELITE IRA ADVISOR GROUP

Master Elite IRA Advisor
Ed Slott's Tax Planning Group

RETIREMENT TAX SERVICES

Retirement Tax Services
CPA Tax Planning Partners of WCPG

As seen on

Federal SOUP · Government Executive · FEDweek · FedSmith · Federal News Network

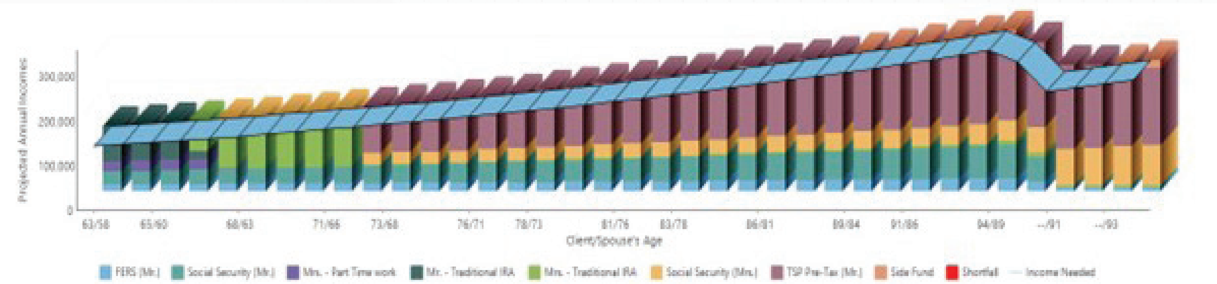
WCPG RETIREMENT BENEFITS FORECASTS

What is a **Retirement Benefits Forecast** and why do I need one?

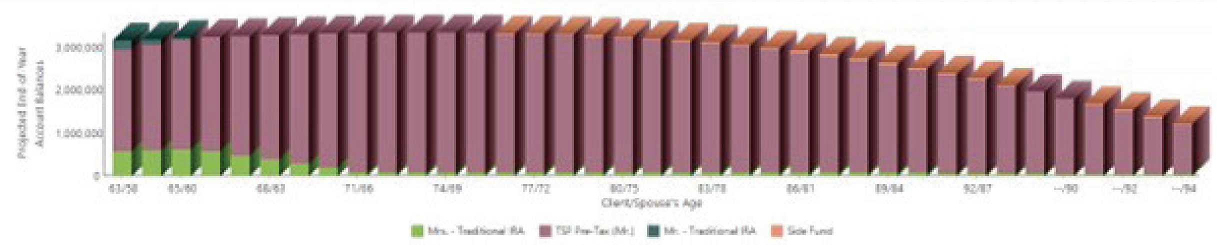
This powerful analysis offers a completely personalized model of your current retirement trajectory that includes:

- Your CSRS/FERS Pension
- FERS Supplement (if applicable)
- Social Security benefits (+ Spousal Benefits)
- TSP & IRA Withdrawals, RMDs, and Tax Treatment
- Personal Retirement Budget (adjusted for inflation)
- Current vs Future Tax Liability

Sample: Desired Income & Income Sources Through Retirement



Retirement Assets & Remaining Account Balances Through Retirement



The best part? Building a personalized projection with the Retirement Strategists at WCPG is just the start!

Our team is committed to helping you identify and address FERS/CSRS retirement pitfalls while building a relationship that enables us to help **you** get both **TO** and **THROUGH** your golden years succesfully!

Ready to Start? Click Here

FEDUCATED
FEDERAL RETIREMENT CURRICULUM

WORKING WITH WALKER CAPITAL

What to expect

WCPG proudly offers Webcast Attendees & Federal Employees a **Complimentary Consultation** to review your retirement, this consultation is broken down into two parts:

- Part 1 – **Introduction Phone Call (~30 min.)**
  - **Goals:** Meet your Retirement Strategist & review your situation
    - **Discuss:** Retirement Timeline, Goals, Family & Concerns
  - Gather data to build retirement model that will be reviewed with you during a Video Strategy Session in Part 2
    - We provide a "What to Bring Email" to make it easy for you to have the key information available for your Introduction Call
- Part 2 - **Strategy Session Video Conference (~60 min.)**
  - **Goals:** Design & Discuss Retirement Benefits Forecast
    - Work through "What if Scenarios" & "Stress Tests"
      - What if I retired earlier? How about if I worked longer?
      - How may inflation, LTC, or higher tax rates impact my retirement?
  - Identify Strengths & Weaknesses of current retirement trajectory
  - Identify WCPG Services that align with your concerns & can improve your retirement

Ready to Start? Click Here

WALKER CAPITAL'S SERVICES OFFERED

FEDUCATED
FEDERAL RETIREMENT CURRICULUM

Retirement planning

- Retirement planning is the process of determining retirement income goals and the actions and decisions necessary to achieve those goals. Retirement planning includes identifying sources of income, estimating expenses, implementing a savings program and managing assets. Future cash flows are estimated to determine if the retirement income goal will be achieved.

Federal Benefits Optimizations

- The Federal Retirement systems available today still offer some of the best large-scale benefits available... if you can successfully navigate the maze of program acronyms, rules, caveats, & pitfalls. During your career, it is important to understand the benefits you currently carry & how they may change over time. As you enter retirement, it is critical that you maximize your benefits in order to leverage your years of public service into your retirement. There are a number of critical coordinates to mapping out a successful retirement. For example, it is critical that you coordinate your FEGLI & SSB with your spousal FEHB & income continuation needs. Retirement is a journey, let Walker Capital help guide you through!

Tax Planning

- Truly Holistic Retirement Planning requires a braintrust of like minded experts with complimentary areas of expertise which is why Walker Capital has partnered with a Tax Professor & CPA to help you understand your current tax equation and how it may change in coming years.The key is to be proactive in addressing these concerns today because taxes are only going to be 'on-sale' for a few more years and the IRS has already put major restrictions on how much you can contribute in each of those years!

Estate Planning

- What happens to your hard-earned assets after you are gone? Having a plan for your estate can help ensure that your legacy is distributed efficiently and that you can clearly outline your wishes/goals for how that legacy could be used even after you are no longer around to provide those instructions. Have a goal of leaving money to the grandkids for education? Looking to avoid probate costs and delays? Do you have a child with special needs? An estate plan – like a Living Trust + Pour-Over Will + Powers of Attorney – is here to help!

Insurance Planning

- When properly utilized, insurance can help protect the quality of both you & your family's lifestyle throughout your career, in retirement, & even after (legacy). Whether looking to sleep easier knowing Living Benefits will help protect your lifestyle, looking to utilize Cash Value Life Insurance as a tool to help navigate future tax risk, or looking to ensure your loved ones have access to a highly leveraged tax-free death benefit – todays innovative policy design offerings allow Walker Capital to help your insurance plans evolve with your needs as they change over time!

Ready to Start? Click Here

#2 | The TSP 360

A Well-Rounded Look at the Government Savings Vehicle

DISCLAIMER

- This presentation is intended as an educational overview and is not intended to provide specific advice, financial or otherwise, to any individuals without further consultation.
- WalkerCPG does not provide legal, tax or accounting advice. Please consult with a qualified attorney or CPA for proper legal, tax or accounting counsel.
- This educational presentation is not intended to sell any specific product, company, or strategy but to educate and empower attendees while emphasizing the importance of planning ahead
- Walker Capital Preservation Group, Inc. (WCPG) is not affiliated with, endorsed, or sponsored by the Federal Government or any U.S. Government agency. No Federal Government agency has reviewed or endorsed any of the information contained in this presentation.
- Due to the amount of material that will be covered today, please write down questions to be reviewed at the end of the presentation

TEAM MEMBERS

Tom Walker, ChFEBC

Retirement Strategist

Tom is a best-selling author & Federal Retirement Strategist with **10+ years experience** working closely with federal employees.

CPA & Tax Teams

CPA Partners & Tax Trainers

WCPG proudly partners with the CPA's at
Retirement Tax Services
& is a member of Ed Slott's
Master Elite IRA Advisor Group

Abby Duenas, ChFEBC

Retirement Strategist

In the past decade, Abigail has dedicated herself to empowering federal employees, assisting them in achieving their financial aspirations .

Walker Capital Locations

Industry leading VIRTUAL retirement planning experience:

- Video Conferencing
- Powerful Planning Software
- Cutting Edge Cyber Security
- DECADES of combined experience helping Feds

Abby Duenas,
ChFEBC
Murrieta, California

Tom Walker,
ChFEBC
Charlotte, North Carolina

WALKER CAPITAL

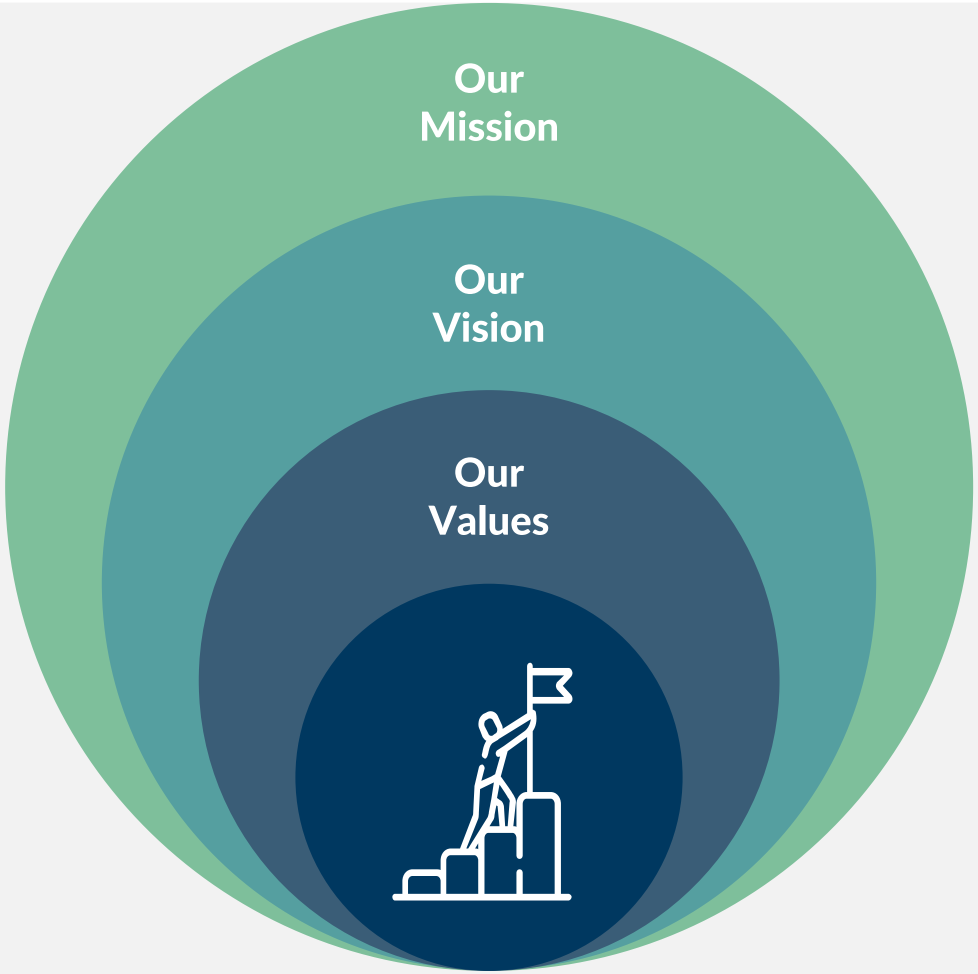
Empowering Those Who Power The Public Sector

OUR MISSION

Provide industry-leading Retirement & Tax Planning Insights, Education, & Services to Federal Employees nationwide through our services and strategic partnerships

OUR VISION

Coaching Federal Employees to maximize their retirement through proper positioning & seamless coordination of their Federal Benefits & Personal Assets



Values

Financial Empowerment & Education is not something that should be exclusively reserved for the wealthy

Values

Your geography should not limit your access to the RIGHT Information & Team of Experts

Values

In order to help see you TO & THROUGH retirement, your Retirement Planner should not be RETIRING before you

WALKER
Capital Preservation Group

Redesigned Curriculum

- Reengineered curriculum covering key components of Federal Retirement & Tax Planning (now in 1-hr sessions)
- FEDucated Handbook compiling the course materials for each event will be available in the handouts
- 8-Part Case Study: The Serbus Triplets
  Follow the Serbus Family in an unprecedented 8-part Federal Retirement comparative analysis

AGENDA

1. TSP 101
2. TSP Fund Overview
3. The Thrift SAVING Years
4. TSP Caveats & Constraints
5. Thrift SPENDING Years
6. Federal Employee Case Study

01

TSP 101

Compound Interest – Story of Jack & Blake

Jack

Saved $200/mo from age 21-30

Jack invested $0 after age 30

Plans to Retire at age 67

Jack

21 30 67

Blake

Saved $200/mo from age 30-67

Jack invested $90,000+ after age 30

Plans to Retire at age 67

Blake

21 30 67

72%

DON’T TRADE WHAT YOU WANT MOST FOR WHAT YOU WANT RIGHT NOW

TSP MILESTONE AGES

Career Starts

Look to start TSP Contributions of 5% to get matching funds

Work to increase TSP Contributions as you get pay/step increases (Pay Yourself First)

Max Contribution: $23,000

Roth Contributions Only

50 – Catch Up Contributions

Beginning at age 50, Catch Up Contributions of $7,500/yr are allowed for each remaining year of employment

Roth Catch-Up Contributions

MRA – TSP Accessible to Retirees

If eligible for an Immediate Unreduced Retirement Annuity, the TSP is accessible WITHOUT a Pre-59.5 Distribution Penalty of 10%

Coordinate TSP distributions to see you through age 59.5

Roth Conversion Opportunity

59.5 – Early Distribution Penalty Ends

Early Distribution Penalty goes away.

Access to TSP for non-retirees

Roth Conversion Opportunity

Ret. – Retirement Distributions

You control your retirement budget and build a distribution plan that satisfies your lifestyle in a sustainable way.

This is an ideal opportunity for Conversions before RMDs force taxable distributions

Roth Conversion Opportunity

73-75 – RMD's Begin

Recently updated from age 70.5, once a retiree achieves age 73-75 (DOB dependent) they go onto the "IRS Distribution Plan.

RMDs must be taken or a 25% excise tax (penalty) assessed

Retirement Income

02

TSP FUNDS

TSP Fund Overview

5 — I FUND (International Stock Index Investment Fund)
What It Is: International stocks from more than 20 developed countries
Benchmark Index: MSCI EAFE Stock Index

4 — S FUND (Small Capitalization Stock Index Investment Fund)
What It Is: Stock of small to medium-sized U.S. companies
Benchmark Index: Dow Jones U.S. Completion TSM Index

3 — C FUND (Common Stock Index Investment Fund)
What It Is: Stocks of large & medium U.S. companies
Benchmark Index: Standard & Poor's 500 Stock Index

2 — F Fund (Fixed Income Index Investment Fund)
What It Is: Government, corporate, and asset-backed bonds
Benchmark: Bloomberg Barclays U.S. Aggregate Bond Index

1 — G Fund (Government Securities Investment Fund)
What It Is: Government securities that are specially issued to the TSP
Benchmark: Blend of US Treasuries – most closely resembles 10-yr Treasury

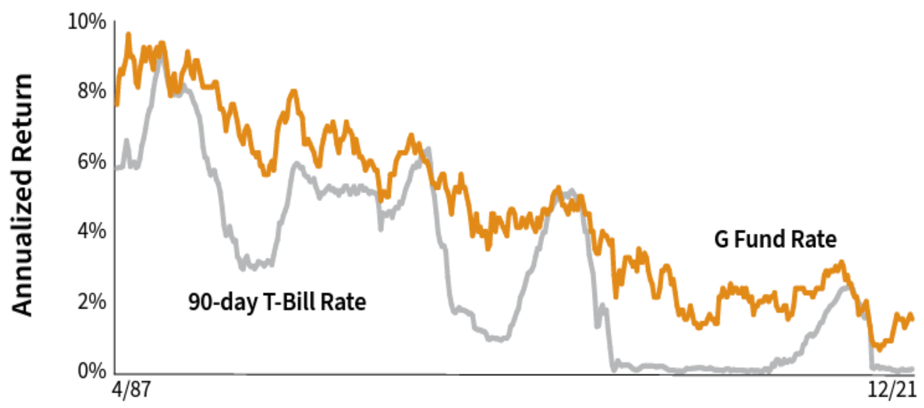
TSP Fund Overview

G FUND
Government Securities Investment Fund

What It Is: Government securities that are specially issued to the TSP

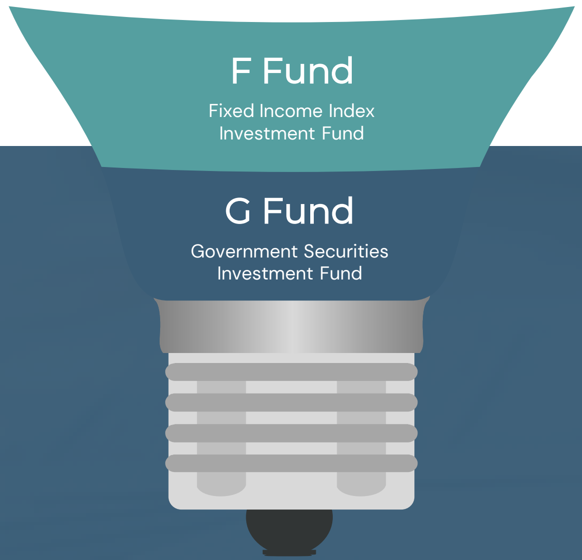
Pros: Does not lose money; has a consistent but relatively low investment return

Risks: Your money may not grow to meet your retirement needs or outpace inflation.



The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select "Learn about fund options" from the menu or download the TSP resources in the handouts.

TSP Fund Overview



F FUND

Fixed Income Index Investment Fund

What It Is: Government, corporate, and asset-backed bonds

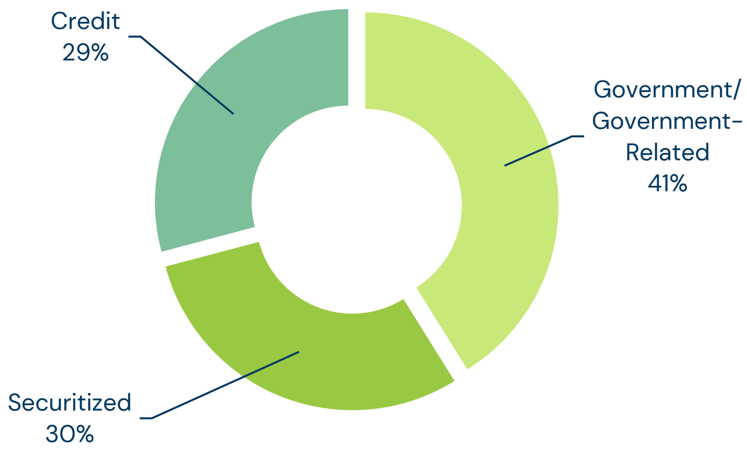
Pros: May earn returns that are higher than money market funds over the long term with relatively low risk

Risks: Bond prices fall when interest rates rise. Bonds may be repaid early, reducing your returns.

Benchmark Index: Bloomberg Barclays U.S. Aggregate Bond Index

Bloomberg U.S. Aggregate Bond Index

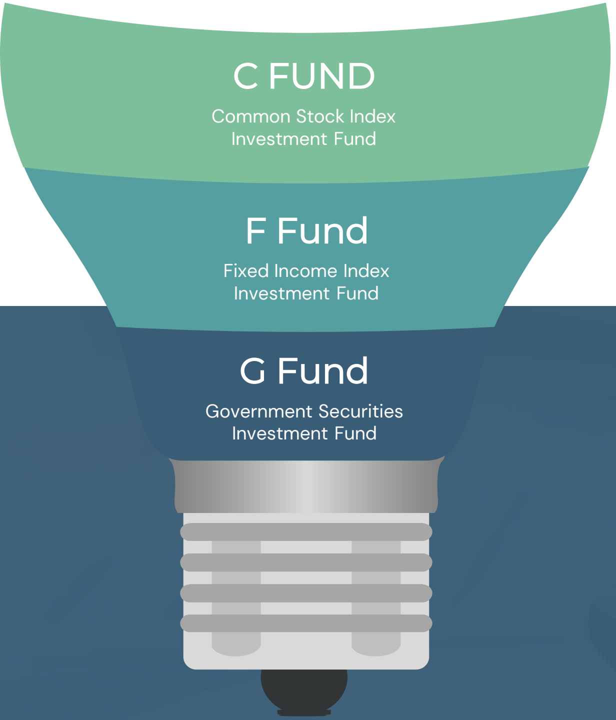
Bond Market Sectors*



December 31, 2021

The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select "Learn about fund options" from the menu or download the TSP resources in the handouts.

TSP Fund Overview



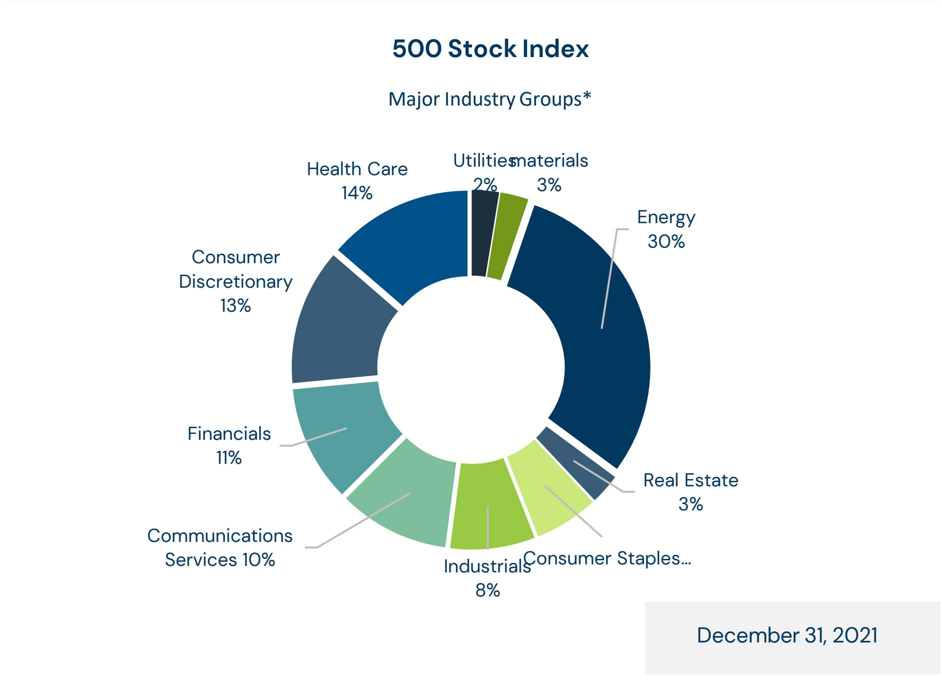
C FUND
Common Stock Index Investment Fund

What It Is: Stocks of large and medium-sized U.S. companies

Pros: Potential for high investment returns over the long term

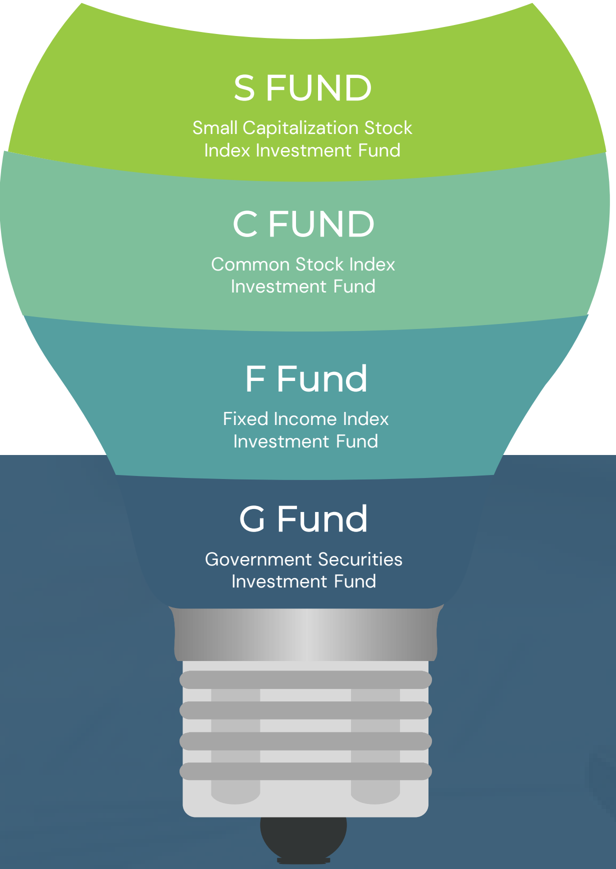
Risks: Can be volatile depending on stock market performance

Benchmark Index: Standard & Poor's 500 Stock Index



The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select "Learn about fund options" from the menu or download the TSP resources in the handouts.

TSP Fund Overview



S FUND

Small Capitalization Stock Index Investment Fund

What It Is: Stock of small to medium-sized U.S. companies

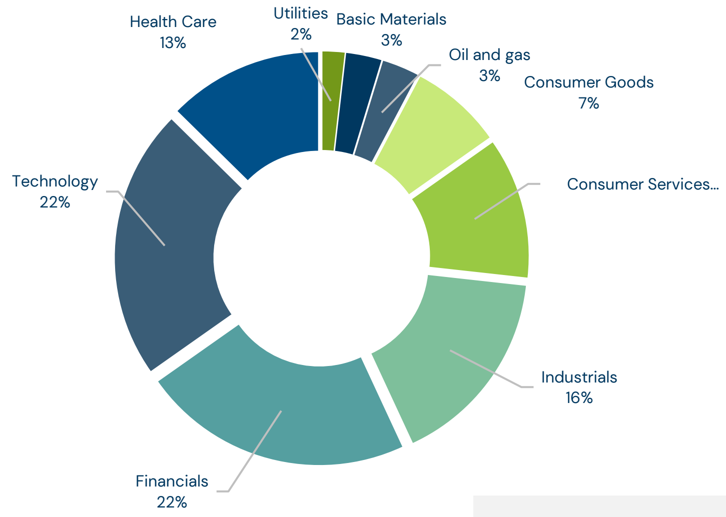
Pros: Potential for high investment returns over the long term

Risks: Can be volatile depending on stock market performance

Benchmark Index: Dow Jones U.S. Completion TSM Index

Dow Jones U.S. Completion TSM Index

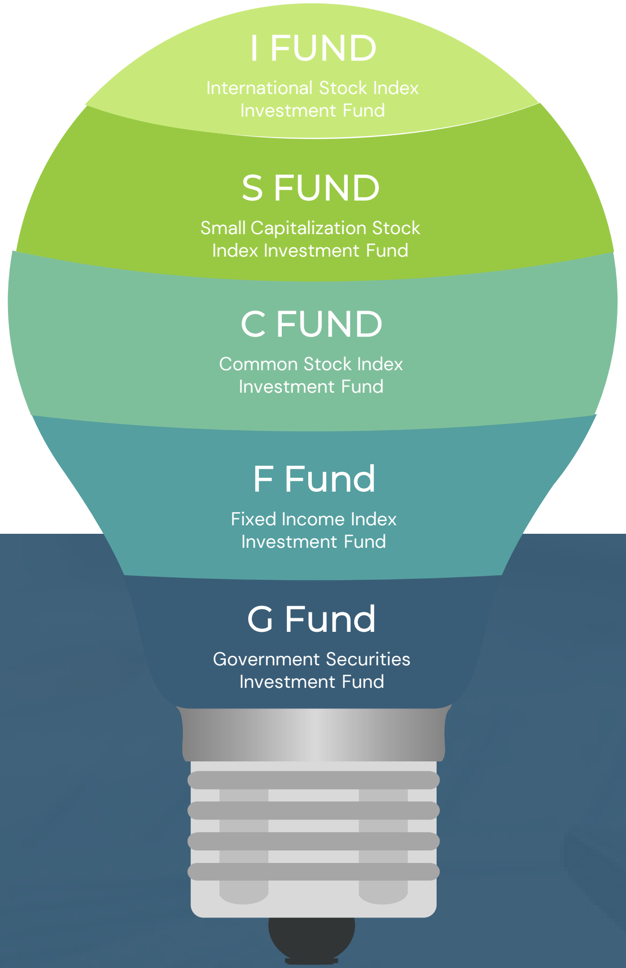
Major Industry Groups*



December 31, 2021

The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select "Learn about fund options" from the menu or download the TSP resources in the handouts.

TSP Fund Overview



I FUND

International Stock Index Investment Fund

What It Is: International stocks from more than 20 developed countries

Pros: Potential for high investment returns over the long term

Risks: Can be volatile depending on stock market performance

Benchmark Index:
MSCI EAFE Stock Index

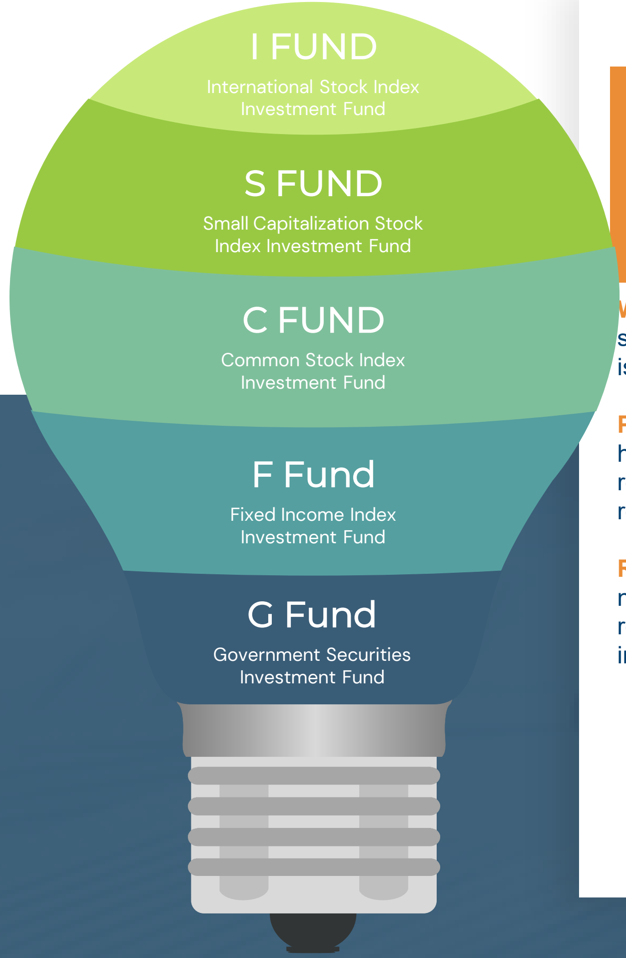
MSCI EAFE Index
Country Composition
December 31, 2022

Country	Percent of Holdings*	Number of Companies
Europe		
Austria	0.2	4
Belgium	1.0	12
Denmark	3.0	16
Finland	1.0	11
France	11.8	65
Germany	8.2	59
Ireland	0.7	7
Italy	2.4	23
Netherlands	4.3	25
Norway	0.8	12
Portugal	0.2	5
Spain	2.4	19
Sweden	3.3	45
Switzerland	10.1	43
United Kingdom	15.3	82
Europe	64.7	428
Australasia/Far East		
Australia	7.9	59
Hong Kong	3.0	33
Israel	0.7	15
Japan	21.9	235
New Zealand	0.2	5
Singapore	1.5	21
Australasia/Far East	35.0	368
Total EAFE Index	**100.0%**	**796**

Source: BlackRock
* Due to rounding, numbers may not add up to exactly 100%.

The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select "Learn about fund options" from the menu or download the TSP resources in the handouts.

TSP Fund Overview



G FUND
Government Securities Investment Fund

What It Is: Government securities that are specially issued to the TSP

Pros: Does not lose money; has a consistent but relatively low investment return

Risks: Your money may not grow to meet your retirement needs or outpace inflation.

F FUND
Fixed Income Index Investment Fund

What It Is: Government, corporate, and asset-backed bonds

Pros: May earn returns that are higher than money market funds over the long term with relatively low risk

Risks: Bond prices fall when interest rates rise. Bonds may be repaid early, reducing your returns.

Benchmark Index:
Bloomberg Barclays
U.S. Aggregate Bond Index

C FUND
Common Stock Index Investment Fund

What It Is: Stocks of large and medium-sized U.S. companies

Pros: Potential for high investment returns over the long term

Risks: Can be volatile depending on stock market performance

Benchmark Index:
Standard & Poor's
500 Stock Index

S FUND
Small Capitalization Stock Index Investment Fund

What It Is: Stock of small to medium-sized U.S. companies

Pros: Potential for high investment returns over the long term

Risks: Can be volatile depending on stock market performance

Benchmark Index: Dow Jones U.S. Completion TSM Index

I FUND
International Stock Index Investment Fund

What It Is: International stocks from more than 20 developed countries

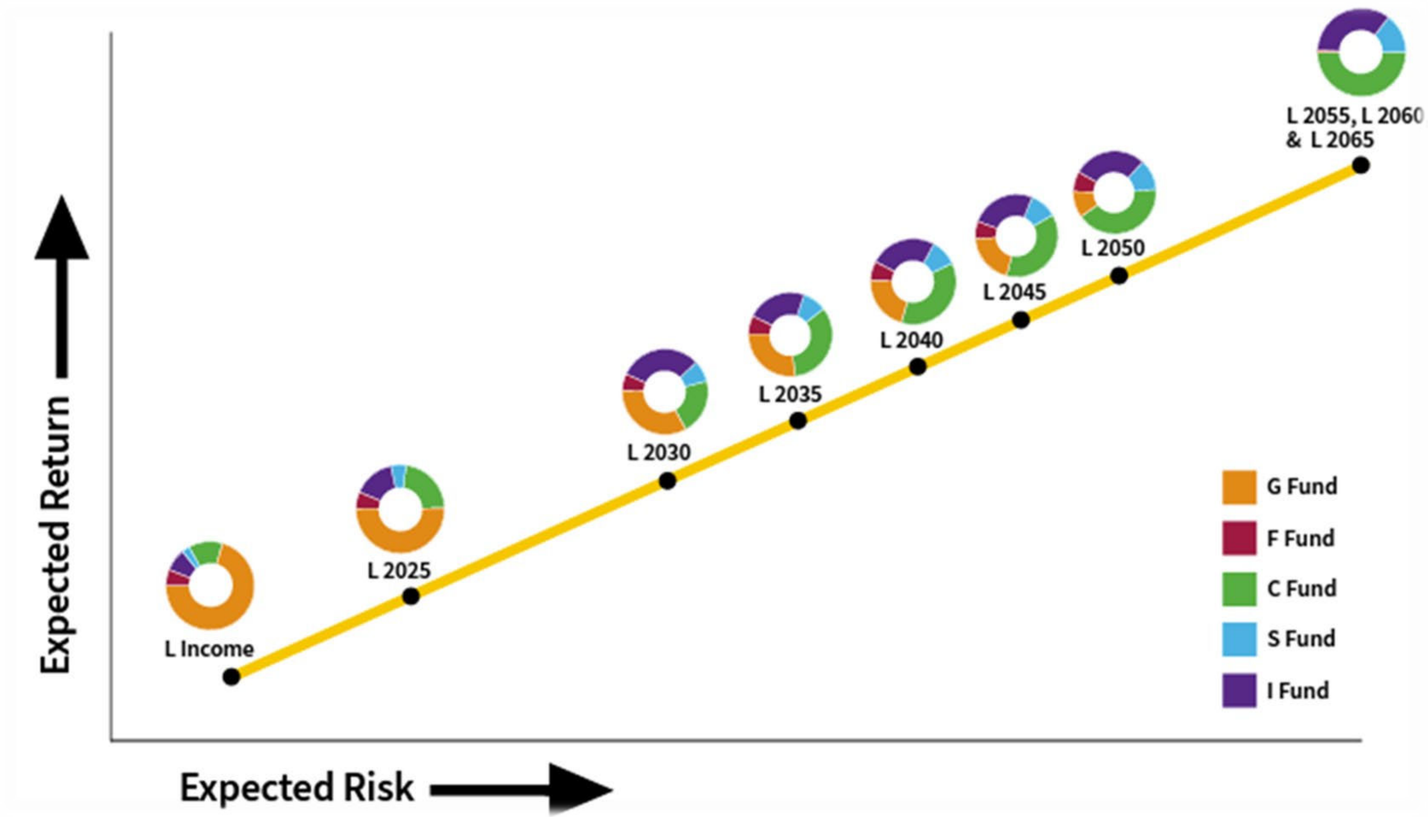
Pros: Potential for high investment returns over the long term

Risks: Can be volatile depending on stock market performance

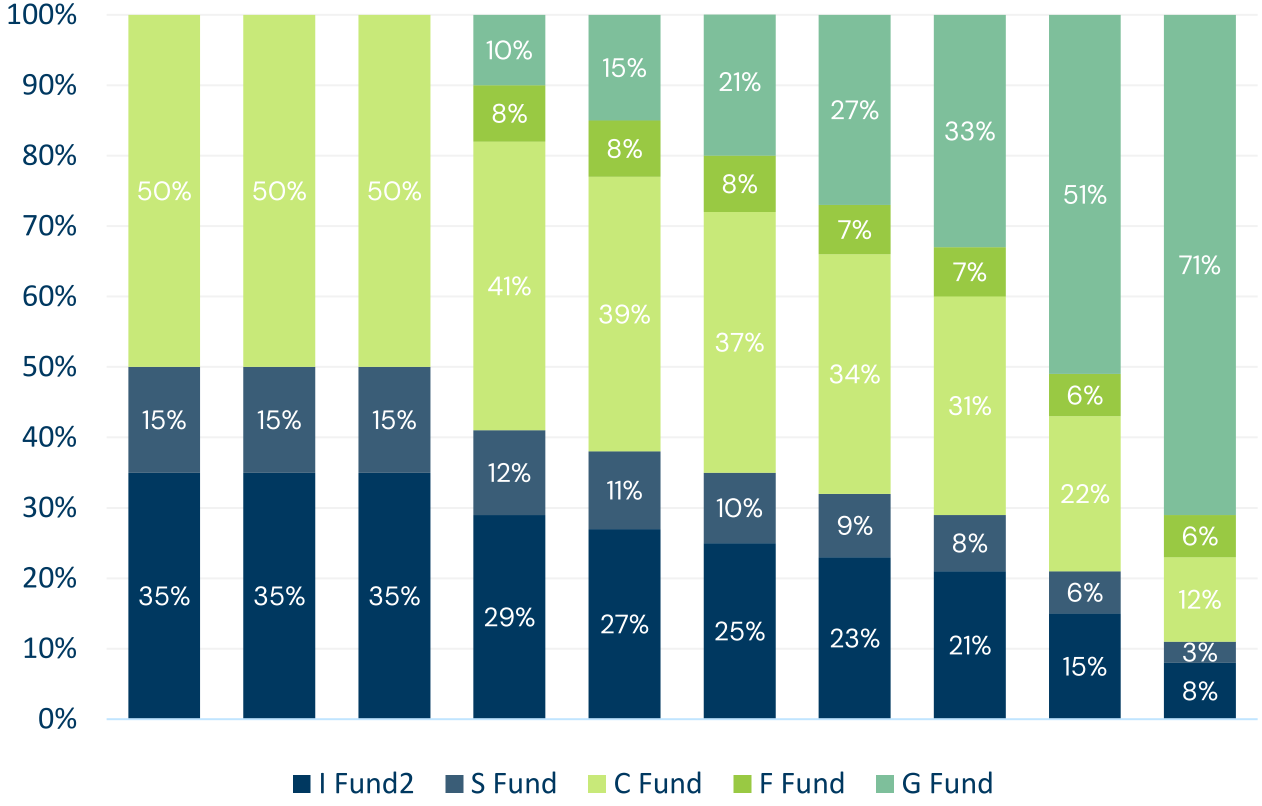
Benchmark Index:
MSCI EAFE Stock Index

TSP Lifecycle Fund Overview

The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select "Learn about fund options" from the menu or download the TSP resources in the handouts.



TSP Lifecycle Fund Overview



Less than 1% of the L 2065 L 2060. and L 2055 Funds is invested in the G and F Funds.

Due to rounding, numbers may not add up to exactly

The information contained in this presentation is educational in nature and is pulled directly from the TSP.gov site. This presentation highlights the tools available and shares widely-available information on the funds available but does not provide any investment advice. For all discussions on the appropriate investment options, an appropriately licensed professional should be consulted. For more comprehensive information, visit tsp.gov and select “Learn about fund options” from the menu or download the TSP resources in the handouts.

TSP Mutual Fund Window

Minimum

Minimum Transfer $10,000

Minimum Starting Tsp Balance $40,000

Maximum

Max 25% of Tsp at Any Time in MF Window

Costs

$55/yr Admin Fee $95/yr Maint. Fee $28.75/trade

One MF Transfer (Buy+sell) $57.50

Offerings

5,000 New Mutual Funds

300 Mutual Fund Families

Due Diligence

It is Your Responsibility to Do Your Own Due Diligence When Investing "in the Wild"

03

Thrift SAVING Years

Tsp Key Questions Guide

CONTRIBUTION AMOUNT

HOW MUCH ARE YOU GOING TO SAVE?

Spread contributions over 26 pay periods to maximize 5% matching contributions

INVESTMENT ELECTION

WHAT DO YOU WANT NEW $$ TO BUY?

You may elect to invest new money in a different way than your existing TSP account holdings

ACCOUNT ALLOCATION

WHAT FUND(S) IS YOUR EXISTING $$ ALREADY IN?

Balancing Risk & Reward with the allocation of your TSP savings

TAX TREATMENT OF CONTRIBUTION

WHEN DO YOU WANT TO PAY TAXES ON YOUR TSP?

Are you going to pay taxes at today's known rates on the seeds?

Are you going to pay taxes at an unknown future rate on the harvest?

TSP BENEFICIARY FORMS

WHO DO YOU WANT TO LEAVE THE TSP TO?

Most recent beneficiary form supersedes all previous TSP-3

Spousal Beneficiaries retitle TSP account

TSP Key Decisions

Three Key Elements that greatly impact your TSP's opportunity to supplement your retirement

TSP Contributions

How much are you going to save towards the future?

What do you want this new money to purchase?

TSP Investment Allocations

How much risk are you comfortable with?

How much risk does your TSP/portfolio already have?

How much risk does your retirement projection require for sustainability?

TSP Tax Diversity

The Retirement Tax Gamble – when are you going to pay taxes on your TSP?

Traditional – Taxed upon distribution at unknown future rates

Roth – Taxed upon contribution at known current rates

Pt. 1 – “How much to Contribute”

Contribution Limits 2024

TSP (Employer Plan)

Base Contributions

$23,000 (Any Age)

Catch Up Contributions

$7,500 (Age 50+)

*TSP matches bi-weekly contributions up to 5%

The combination allows a saver over the age of 50 to contribute:

$38,500 per year

Ira (Individual Acct)

Base Contributions

$7,000 (Any Age)

Catch Up Contributions

$1,000 (Age 50+)

TSP Matching Contributions

Thrift Savings Plan Match

You put in:	Your agency puts in: Automatic (1%) Contribution	Your agency puts in: Agency Matching Contribution	And the total contribution is:
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%
More than 5%	1%	4%	Your contribution + 5%

Never miss out on FREE MONEY

First 5% is guaranteed a 100% "return" (via Agency Matching Contribution)

Pt. 2 – “What to buy”

Allocation Options

Planting The Seeds

Investment Election for New Money

- Allocation for new contributions
- Previously referred to as “Contribution Allocation”
- Reoccurring investment each pay pd

Where to plant the Seeds

VS

How to position the Harvest

Position The Harvest

Reallocations of Existing Account Balance*

- Select the % in each of the TSP funds for the money already in your account

Fund Transfer*

- Moves $ from one or more specific funds to another specific fund without affecting rest of the account

**Only 2 moves per month (+ free move to G Fund)*

Pt. 3 – "When to pay taxes"

Allocation Options & the IRS

Traditional TSP

Traditional Contributions

- Tax Deferred = Lowers current year tax bill
- Contributions + earnings = Taxable In Retirement
    - At what rate? Future Tax Rates

ROTH TSP

Roth Contributions

- After Tax = Taxable as Income at today's rates
    - Reported on current year's 1040
- Contributions + Earnings = Tax Free in Retirement
    - Even if tax rates double, you pay 0%*

*So long as Roth Seasoning Rules are followed

Pay tax on the Seeds

VS

Pay tax on the Harvest

Pt. 3 – "When to pay taxes"

The Retirement Contribution Gamble

Pay tax on the Harvest

VS

Pay tax on the Seeds

Goal:

Pay Taxes When YOUR Rates are LOWEST

Historical Marginal Tax Rates 1944-2024

Year	Taxable Income $50,000	Taxable Income $200,000
1944	75%	94%
1950	72%	90%
1960	72%	90%
1970	60%	70%
1980	55%	70%
1990	33%	33%
2000	28%	36%
2014	25%	33%
2024	12%	22%

The Chart traces the highest federal personal income tax rates from 1915 to today. The amount of income subject to these varying rates has also changed. In 1965-67, a rate of 70% applied to taxable income over $200,000 equal to approximately $1,043,000 in current dollars.

Source: Federal Individual Income Tax Rates History, Tax Foundation, 2014

Tax-Wise Savings Hierarchy

FREE MONEY	TAX-FREE MONEY	TAX-DEFERRED MONEY	TAXABLE MONEY (NONQUAL)
TSP/401(K) Matching Contributions	Roth TSP/Roth IRA Contributions	Traditional TSP Contributions	Income/Short-Term Cap Gains (CD's & MF)
Gifts/Inheritance	Certain Municipal Bonds & Life Insurance	Traditional IRA Contributions	Long-Term Cap Gains (NonQual'd Accts)

*For those concerned about future tax rates

Tsp Recap of Benefits

1

Extremely Low Internal Expenses

- 1% Automatic Contribution to Traditional TSP
- Up to 5% Match each pay period
- Match always Tradtional, even if 100% of employee contributions are to the Roth TSP

2

Government Match

- Widely diverse fund offerings simple access to different benchmark indices for ~0.06% avg fee

3

Roth Tsp Option Regardless Of Income

- Roth IRA Income Limits
  - $153,000 = Single
  - $228,000 = Joint
- Roth TSP Contributions allowed at ALL incomes
  - Still gets matched into Trad TSP as well

4

Inexpensive Tsp Loans

- General Purpose loans typically offer up to $50,000 (some restrictions)
  - Application Fee $50
  - Interest Rate = G Fund % paid to YOURSELF

5

G Fund Accessibility

While never intended to keep up with/outpace inflation, the G Fund typically tracks the 10-yr Treasury to calculate its yield but does not come with a 10 year commitment like a 10-yr T-Bill does

6

Expanded Investment Options

Expanded investment options via Mutual Fund Window provides add'l diversification opportunities
(Note: Funds in MF Window cannot be borrowed via TSP Loan)

04

TSP Caveats & Constraints

TSP CAVEATS & CONSTRAINTS

1 NO INTERNAL ROTH CONVERSIONS

TSP does not offer the ability to do strategic tax planning within the TSP

Roth conversions must utilize IRAs and Roth IRAs

2 REALLOCATION LIMITATIONS

Only 2 reallocations or interfund transfers allowed each month

Transferring into or out of the MF Window counts

3 G FUND IS GOVT'S LENDER OF LAST RESORT

When US hits debt ceiling, the Treasury Department enacts "extra-ordinary means" which allows the Gov't to borrow your G Fund savings (without asking you) in order to avoid defaulting

4 ONLY IRREVOCABLE INCOME GUARANTEES

The TSP only offers an IRREVOCABLE IMMEDIATE ANNUITY to guarantee an income for life.
A SPIA means:

- No access to lump sum during life or for beneficiaries – depending on initial election

5 PRO-RATA FUND DISTRIBUTIONS

Want to pull $$ from the G Fund during a down mkt? Perhaps you want the C Fund during a Bull Mkt?

Too bad! Distributions are proportionate to allocations

6 NO STRETCHING TAX-LIABILITY (INHERITANCE)

The TSP does not offer the ability for the next generation to stretch the tax-liability of an inherited TSP over 10 years (like SECURE Act allows)

Taxes Are "on Sale"
Current Rates Vs Scheduled Rates

Standard Deduction
2024
$29,200

Potential Roth IRA conversion opportunity?

TCJA (2024+2025)

$731,200	37%
$487,450	35%
$383,900	32%
$201,050	24%
$94,300	22%
$23,200	12%
	10%

Reverted Rates (2026)*

39.6%	$553,600
35%	$490,000
33%	$274,400
28%	$180,000
25%	$89,450
15%	$22,000
10%	

*Brackets will be adjusted for inflation

Standard Deduction
2017
$12,700

Based on 2024 tax brackets for married couples filing a joint tax return. Projected example is based on tax brackets in place prior to the Tax Cuts and Jobs Act (TCJA) adjusted for inflation through 2024. Current tax brackets are scheduled to expire at the end of 2025 with pre-TCJA tax brackets applying, adjusted for inflation. Note that other tax items are scheduled to change after sunset provision in 2025 including (for example) personal exemptions returning, lower standard deduction, less restrictions on itemized deductions, and lower exemptions applying for Alternative Minimum (AMT) tax purposes.

Government's Largest Budget Items

2024 Tax Revenue
$4.7T
Top 4 Expenses
$4.8T

$1,749,000,000,000

Medicare & Medicaid

$1,414,000,000,000

Social Security

Defense Spending

$870,000,000,000

Interest on Debt

~~2020~~	~~$329,000,000,000~~
~~2023~~	~~$536,000,000,000~~
2024	**$791,000,000,000**

6TH Largest Expense = Federal Pensions $392,000,000,000

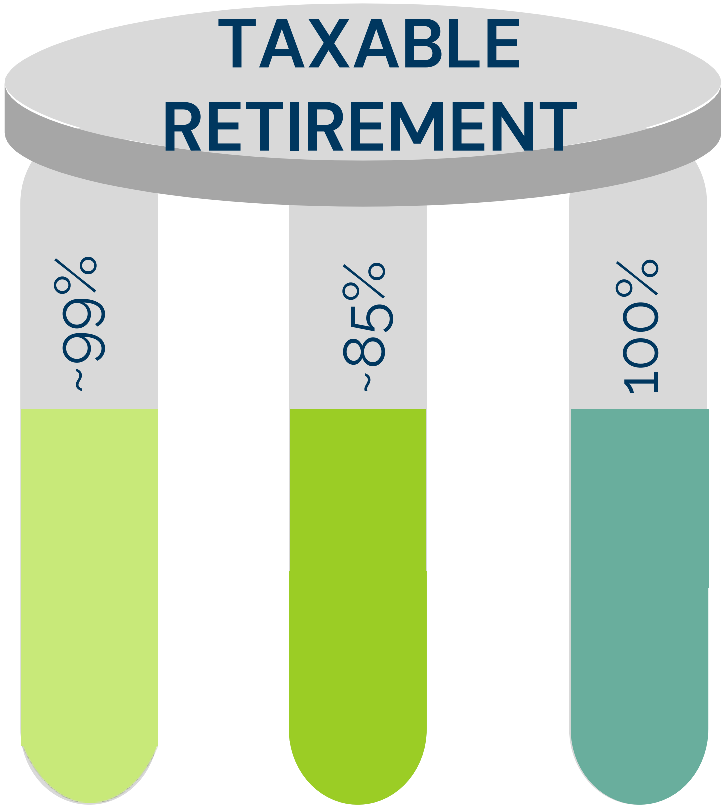
Pace of US National Debt Accumulation

Time Required to Reach Total U.S. Debt Levels	
Of:	
$10 Trillion	232 Years
$20 Trillion	9 Years
$30 Trillion	5 Years
Last Trillion $	100 Days
Latest Level	$34.4 + Trillion

In 2024, Uncle Sam's interest-only payments on National Debt cost $2.4B EVERY SINGLE DAY

Future Tax Rates IMPACT FERS Retirees

If tax rates increase in the future, the "3-Legged Stool" may leave you overly exposed to the IRS's outstretched hands



01 FERS Pension

02 Social Security

03 TSP Distributions

FERS Pension

~99% Reported as TAXABLE INCOME

Social Security

~85% Reported as TAXABLE INCOME*

**due to Prov Income Level*

TRAD. TSP Distributions

100% Reported as TAXABLE INCOME

WalkerCPG does not provide legal, tax or accounting advice. Please consult with a qualified attorney or CPA for proper legal, tax or accounting counsel.

Tax Planning From A Traditional TSP

1 Traditional Tax-Deferred TSP

Traditional TSP to Roth TSP internal Roth conversions are not allowed. As such, defusing the tax-deferred time-bomb of the Traditional TSP means moving funds out of TSP.

2 Transfer to Traditional IRA

If converting over multiple years, common to move funds to a Traditional IRA that allows internal piecemeal Roth conversions so that you have the flexibility to dictate the pace at which you clear the tax liability.

3 Roth Conversions (Bracket Harvest)

Look at household taxable income & compare to marginal brackets to determine how much you can convert each year before hitting a tax bracket that gives you heart burn.

4 Satisfy Conversion Wait Period

LONGER OF 5-years or until age 59.5. Then get tax-free access to the gains. Early access voids tax advantages on withdrawn gains & they're subject to the 10% Early Withdrawal Penalty if under 59.5.

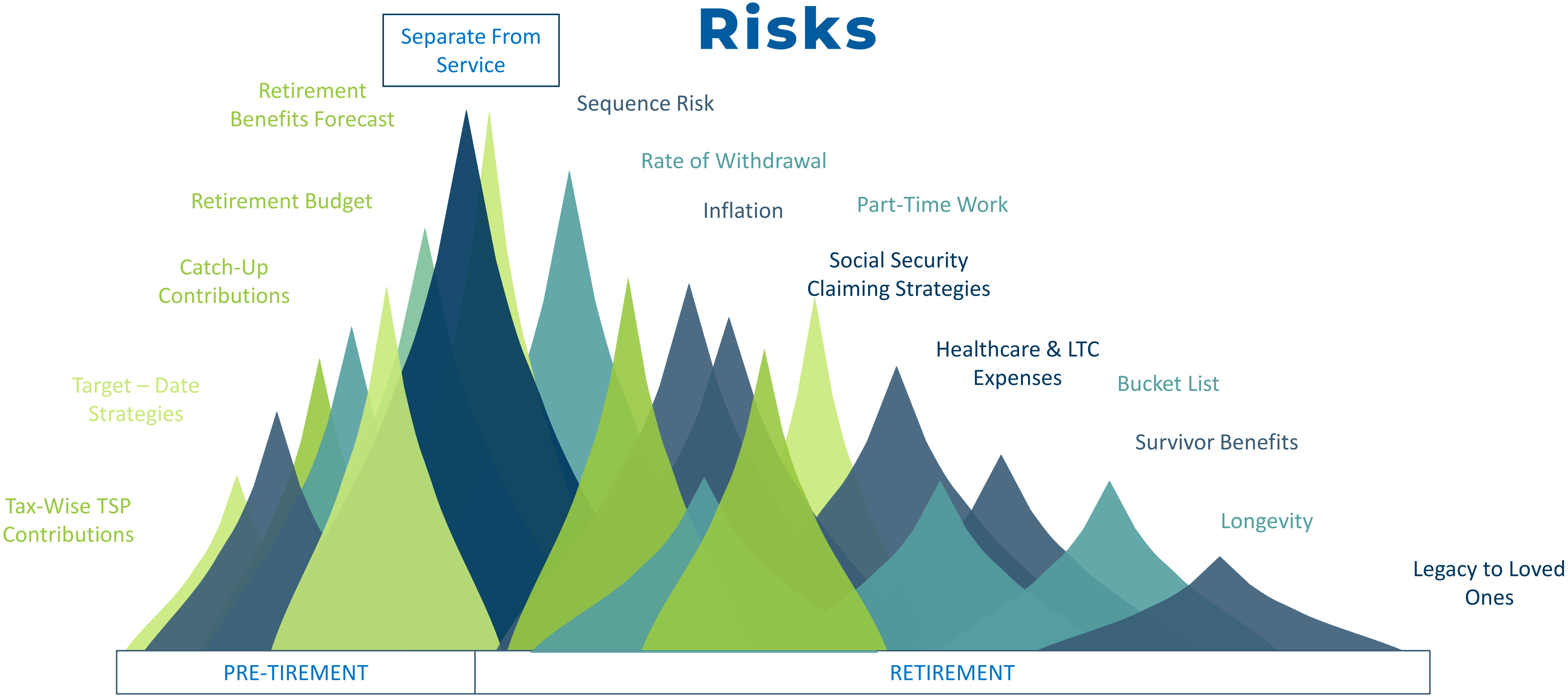
5 Tax-Free Distributions!

After-tax contributions are accessible via FIFO distributions. Once seasoned, the never-taxed gains are also available tax free... even if tax rates double!

05

Thrift SPENDING Years

Pre-tirement Vs Retirement Risks

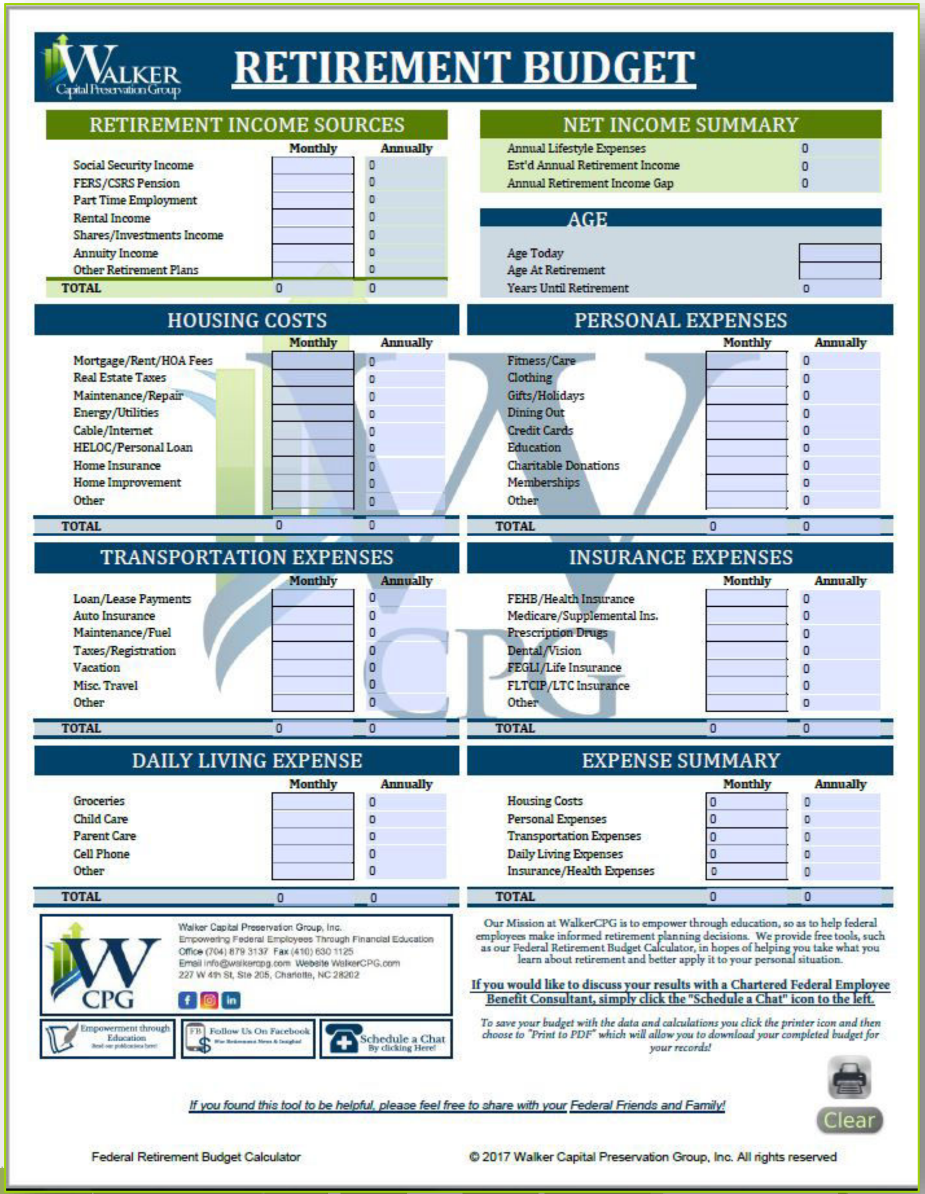


In retirement planning, as in mountain climbing…

Most of the risk is on the decent

BUDGET
CALCULATOR

1. Establish cost of todays lifestyle
2. Adjust for changes to lifestyle in retirement
3. Project Pension & Social Security Benefits
4. Establish short-fall or “gap” between budget & incomes that TSP must fill
5. Evaluate whether you are on the right path by looking at the “Net Income Summary” in the top-right corner of the calculator
6. Project the sustainability of your nest egg to maintain lifestyle



WALKER Capital Preservation Group

RETIREMENT BUDGET

RETIREMENT INCOME SOURCES

	Monthly	Annually
Social Security Income		0
FERS/CSRS Pension		0
Part Time Employment		0
Rental Income		0
Shares/Investments Income		0
Annuity Income		0
Other Retirement Plans		0
TOTAL	0	0

NET INCOME SUMMARY

Annual Lifestyle Expenses	0
Est'd Annual Retirement Income	0
Annual Retirement Income Gap	0

AGE

Age Today	
Age At Retirement	
Years Until Retirement	0

HOUSING COSTS

	Monthly	Annually
Mortgage/Rent/HOA Fees		0
Real Estate Taxes		0
Maintenance/Repair		0
Energy/Utilities		0
Cable/Internet		0
HELOC/Personal Loan		0
Home Insurance		0
Home Improvement		0
Other		0
TOTAL	0	0

PERSONAL EXPENSES

	Monthly	Annually
Fitness/Care		0
Clothing		0
Gifts/Holidays		0
Dining Out		0
Credit Cards		0
Education		0
Charitable Donations		0
Memberships		0
Other		0
TOTAL	0	0

TRANSPORTATION EXPENSES

	Monthly	Annually
Loan/Lease Payments		0
Auto Insurance		0
Maintenance/Fuel		0
Taxes/Registration		0
Vacation		0
Misc. Travel		0
Other		0
TOTAL	0	0

INSURANCE EXPENSES

	Monthly	Annually
FEHB/Health Insurance		0
Medicare/Supplemental Ins.		0
Prescription Drugs		0
Dental/Vision		0
FEGLI/Life Insurance		0
FLTCIP/LTC Insurance		0
Other		0
TOTAL	0	0

DAILY LIVING EXPENSE

	Monthly	Annually
Groceries		0
Child Care		0
Parent Care		0
Cell Phone		0
Other		0
TOTAL	0	0

EXPENSE SUMMARY

	Monthly	Annually
Housing Costs	0	0
Personal Expenses	0	0
Transportation Expenses	0	0
Daily Living Expenses	0	0
Insurance/Health Expenses	0	0
TOTAL	0	0

Walker Capital Preservation Group, Inc.
Empowering Federal Employees Through Financial Education
Office (704) 879 3137 Fax (410) 630 1125
Email info@walkercpg.com Website WalkerCPG.com
227 W 4th St, Ste 205, Charlotte, NC 28202

Empowerment through Education
Follow Us On Facebook
Schedule a Chat By clicking Here!

Our Mission at WalkerCPG is to empower through education, so as to help federal employees make informed retirement planning decisions. We provide free tools, such as our Federal Retirement Budget Calculator, in hopes of helping you take what you learn about retirement and better apply it to your personal situation.

If you would like to discuss your results with a Chartered Federal Employee Benefit Consultant, simply click the "Schedule a Chat" icon to the left.

To save your budget with the data and calculations you click the printer icon and then choose to "Print to PDF" which will allow you to download your completed budget for your records!

Clear

If you found this tool to be helpful, please feel free to share with your Federal Friends and Family!

Federal Retirement Budget Calculator

TSP Distribution Options

PARTIAL WITHDRAWALS

- No longer a limit on in-service/post-separation withdrawals
- Requires notary involvement (you + spouse) on all w/drawals
- Partial withdrawals are now more flexible with the TSP than ever before but are generally used for shock expenses not monthly budget

LUMP SUM DISTRIBUTION

- Traditional TSP=taxable event (often increases tax bracket)
- Tax Rates may be higher at time of distribution & w/drawal ends compounding growth
- Lump Sum Distributions limit future growth and are rarely utilized in retirement planning outside of shock expenses (like a medical emergency)

Transfer IRA/ROTH IRA

- Transfer funds from TSP directly to an IRA custodian to expand investment options & distribution strategies
- Direct Transfers/Rollovers are NOT taxable events

INSTALLMENT PAYMENTS

- Can be regular installments of a Fixed Dollar or Based on Life Expectancy
- Life Expectancy payments are not guaranteed for life
- Life expectancy payments usually look to IRS life expectancy tables (86 y/o) but do not address income continuation. Payments end when account = $0.00

(ANTIQUATED) TSP ANNUITY

- Can elect an IRREVOCABLE Immediate Annuity (SPIA)
- Life Expectancy payments are not guaranteed for life
- High risk of disinheriting loved ones – in order to mitigate this risk, must lower monthly payments in order to "buy" income continuation & legacy guarantees

TSP Distribution Options (Cont'd)

INSTALLMENT PAYMENTS

- Can be regular installments of a Fixed Dollar or Based on Life Expectancy
- Life Expectancy payments are not guaranteed for life
- **Life expectancy payments usually look to IRS life expectancy tables (86 y/o) but do not address income continuation. Payments end when account = $0.00**

Life Expectancy Payments

Single Life Table

Age	Distribution Period	Approximate Percentage
60	25.2	3.97%
61	24.4	4.10%
62	23.5	4.26%
63	22.7	4.41%
64	21.8	4.59%
65	21	4.76%
66	20.2	4.95%
67	19.4	5.15%
68	18.6	5.38%
69	17.8	5.62%

What if you live beyond age 86.2?

Account Balance ÷ Distribution Period = % of account balance that must be withdrawn during calendar year

Thrift Savings Plan

TSP Distribution Options (Cont’d)

(ANTIQUATED) TSP ANNUITY

- Can elect an IRREVOCABLE Immediate Annuity (SPIA)
- Guarantees owner cannot outlive income payments no matter how long they live
- **High risk of disinheriting loved ones – in order to mitigate this risk, must lower monthly payments in order to “buy” income continuation & legacy guarantees**

TSP Life Annuity

- Income is assured for the life of the annuitant(s)
- Funds are transferred from TSP to the annuity provider, and benefits are “locked in” when the request is processed.

Life Annuity	Single Life	Joint Life with Spouse	Joint Life with Other Survivor
Survivor benefit (50% or 100%)		✓	✓
Level payments	✓	✓	✓
Increasing payments	✓	✓	
Cash refund	✓	✓	✓
10-year certain	✓		

Thrift Savings Plan

TSP Annuity

The TSP only offers 1 type of annuity:
SPIA – Single Premium Immediate Annuity

SPIAs require you to trade ALL liquidity (Access) for Guaranteed Income at the risk of disinheriting loved ones

Pros:

- Immediate income stream guaranteed for:
    - Life (Joint Life)
    - Period certain
    - Cash refund
- No responsibility to manage money through different markets & interest rate environments

Cons:

- IRREVOCABLE
- Disinheritance Risk
- No lump sum access
- Inflation adjustment capped @ 3%
- 17-23 year "break even" pd
- Traditional TSP becomes another forever-taxable "pension"

TSP Distribution Options (Cont'd)

DIRECT TRANSFER/ ROLLOVER TO IRA

- A Traditional TSP transferred to a Traditional IRA = Non taxable event
- IRAs generally have more investment options & offer tax-efficient **"Stretch IRA"** options for beneficiaries

Trad. TSP to Trad. IRA & Roth TSP to Roth IRA are both "like-to-like" transfers and thus are non-taxable events

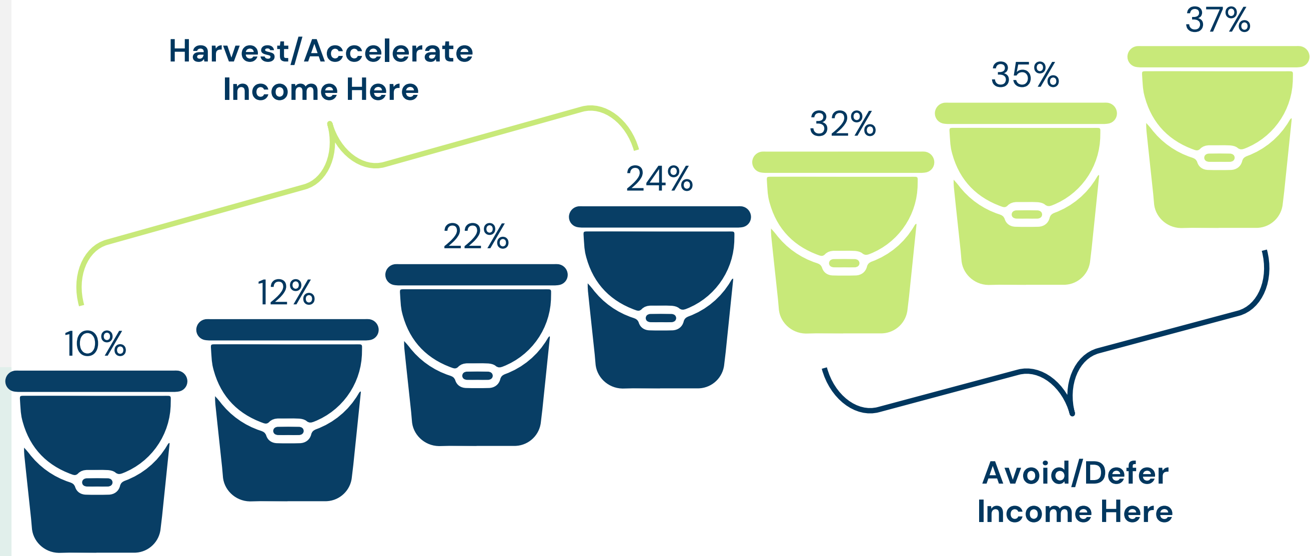
SYSTEMATIC CONVERSIONS

- Bracket Harvesting conversions through EOY 2025 to clear tax liability at today's low rates & earn tax-free gains
- Protects Retirement from higher future tax rates while minimizing current year taxation

Roth IRAs are NOT subject to RMD distributions

"Bracket Harvesting"

OPTIMIZING TAX DEFERRAL: WHEN TO DEFER AND WHEN TO HARVEST INSTEAD



WalkerCPG does not provide legal, tax or accounting advice. Please consult with a qualified attorney or CPA for proper legal, tax or accounting counsel.

06

Federal Retirement Case Study

FEDucated Case Study

The Question At Hand

- Does the SEQUENCE of Returns that my portfolio experiences matter during the ACCUMULATION Phase?

- Does the SEQUENCE of Returns that my portfolio experiences matter in the DISTRIBUTION Phase?

Consider:

- Can you control when a Bear Market occurs?
- Will your retirement face at least 1 Bear Market?
- What are the average draw downs of recent BearMarkets?

The SERBUS Triplets

Fred Serbus

Market Gains First

In this example we will show Fred's experience with market returns both during his career and during his retirement years where distributions are required from the portfolio to maintain the desired lifestyle.

Milton Serbus

Static Rate of Return

In this example we will show Milton's experience with market returns during his career to help highlight how Sequence of Returns risk doesn't impact those saving towards retirement while living on their Earned Wages.

Sybil Serbus

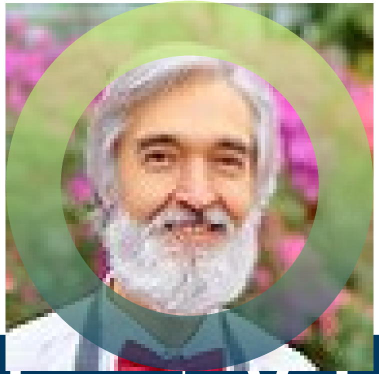
Market Losses First

In this example we will show Sybil's experience with market returns both during his career and during his retirement years where distributions are required from the portfolio to maintain the desired lifestyle.

SEQUENCE OF RETURNS RISK

Investing $1,000,000 PRIOR to taking distributions





Return	Value	Return	Value	Return	Value
27%	?	-15%	?	6%	?
9%	?	7%	?	6%	?
7%	?	9%	?	6%	?
-15%	?	27%	?	6%	?
Avg ~6% Returns		Avg ~6% Returns		Difference = Rounding	

FRED RETIRES IN AN UP MARKET (HIGH EARLY RETURNS)

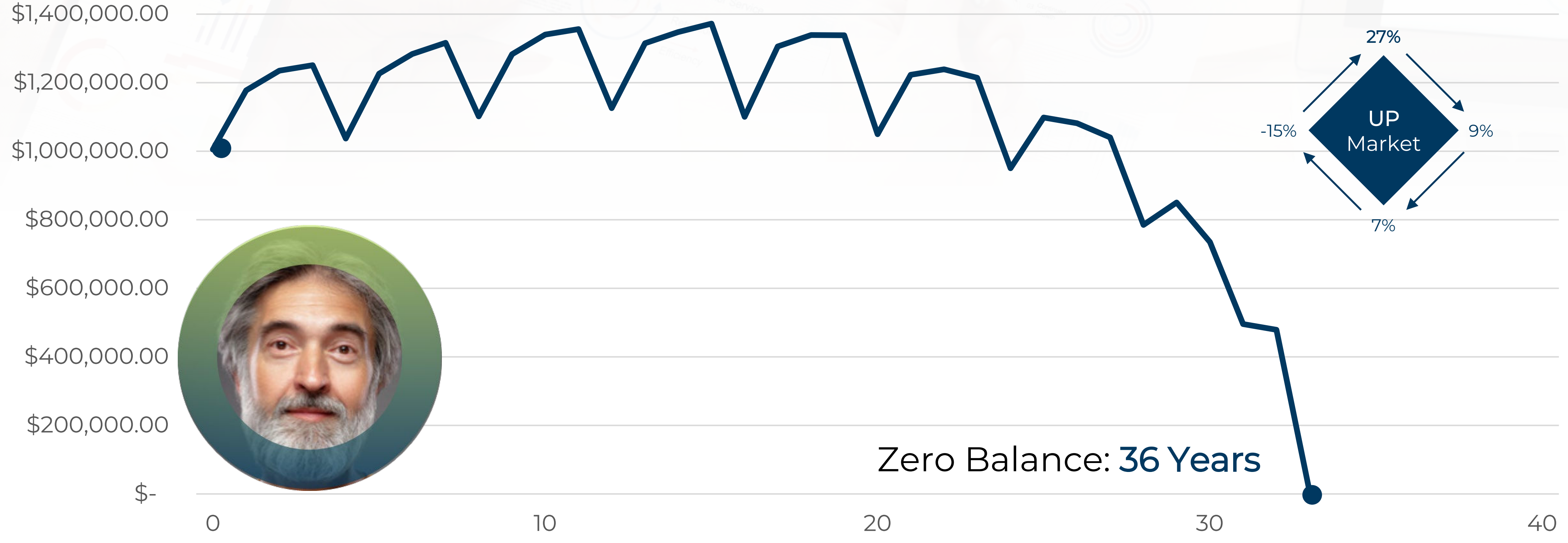


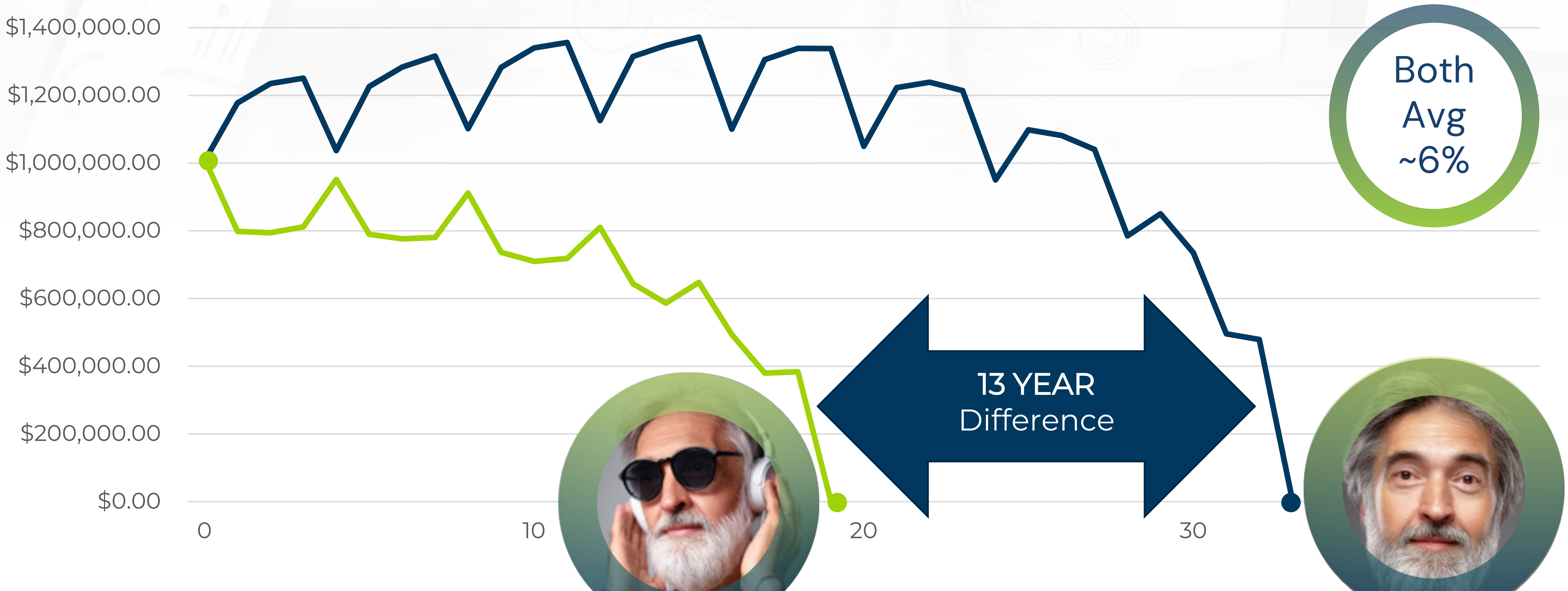
Chart assumes a $1,000,000 starting balance with an annual $50,000 withdrawal (inflation-adjusted by 3.5% per year). This is a hypothetical example and is not intended to project the performance of any specific investment or index. It is not possible to invest directly in an index. If this were an actual product, the returns may be reduced by certain fees and charges. Withdrawals are subject to ordinary income tax and, if taken prior to age 59%, a 10% federal additional tax.

SYBIL RETIRES IN A DOWN MARKET (LOW EARLY RETURNS)

Chart assumes a $1,000,000 starting balance with an annual $50,000 withdrawal (inflation-adjusted by 3.5% per year). This is a hypothetical example and is not intended to project the performance of any specific investment or index. It is not possible to invest directly in an index. If this were an actual product, the returns may be reduced by certain fees and charges. Withdrawals are subject to ordinary income tax and, if taken prior to age 59½, a 10% federal additional tax.

WALKER Capital Preservation Group

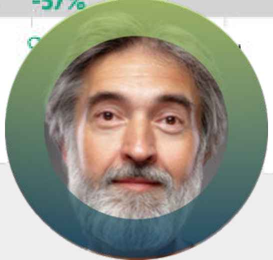
STARTING IN AN UP MARKET VS STARTING IN A DOWN MARKET



This is a hypothetical example and is not intended to project the … ny specific investment or index. It is not possible to invest direct… If this were an actual product, the returns may be reduced … fees and charges. Withdrawals are subject to ordinary income tax and, if taken prior to age 59½, a 10% federal additional tax.

WALKER Capital Preservation Group

SP500 (1998-2023)



POLL QUESTION

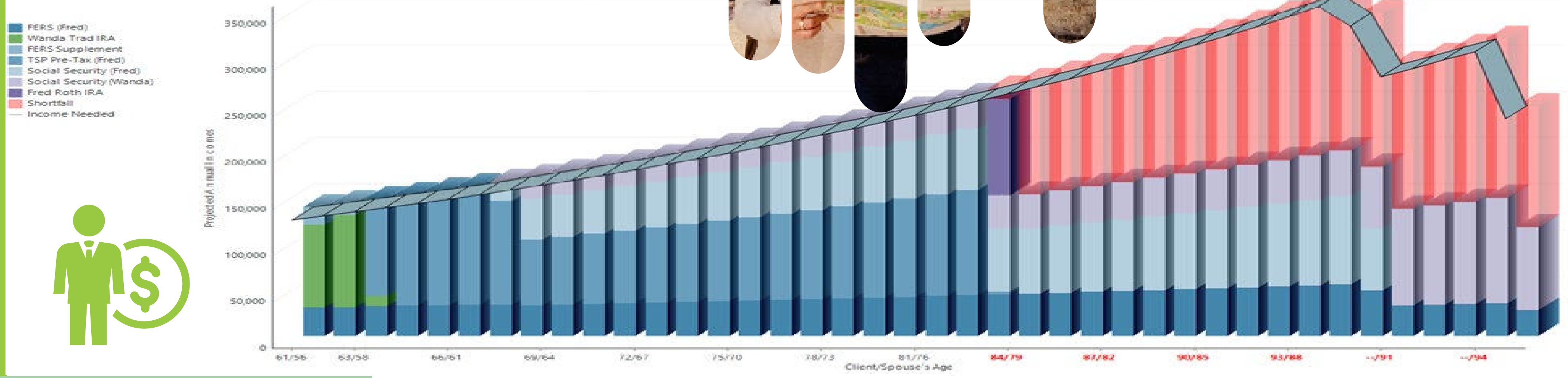
Over the last 60 years, the AVERAGE BEAR MARKET has created declines of ~35%. If your portfolio were to experience a 35% decline, what return would you need the next year for your account balance to fully recover?

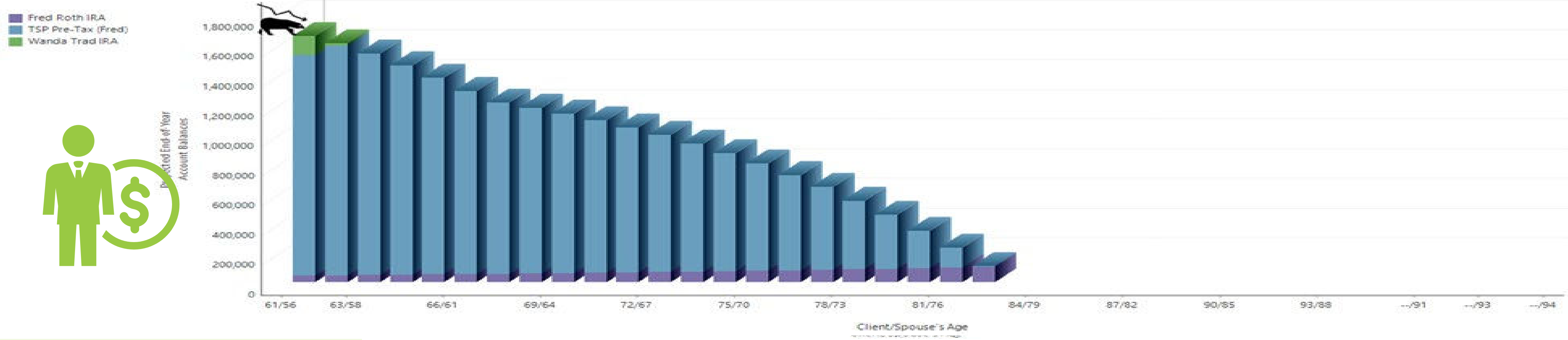
FRED & WANDA SERBUS

Average Bear Market ~35% Decline

Bear Icon Represents a -35% Return on Assets

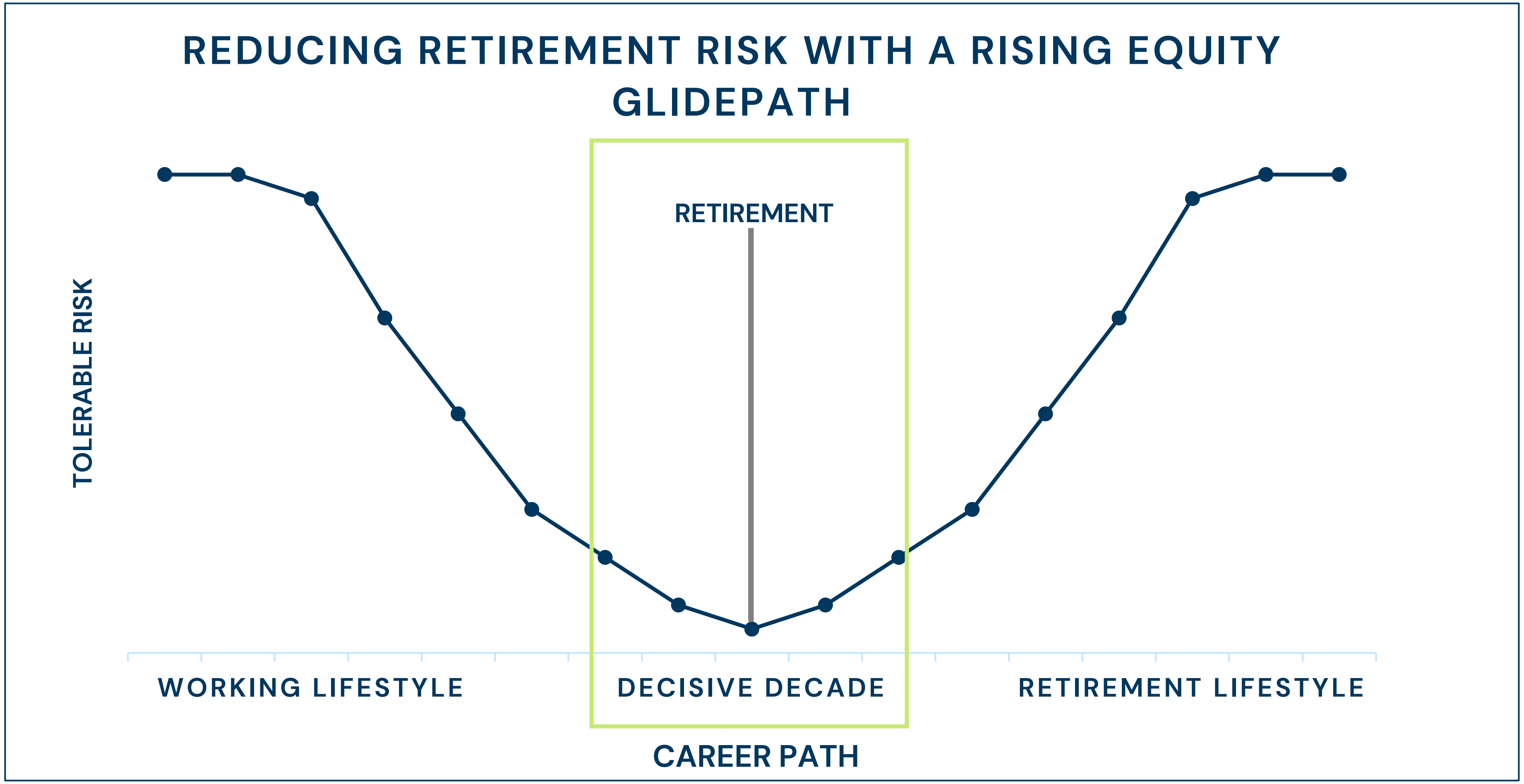
Earlier bear mkts create larger retirement shortfalls





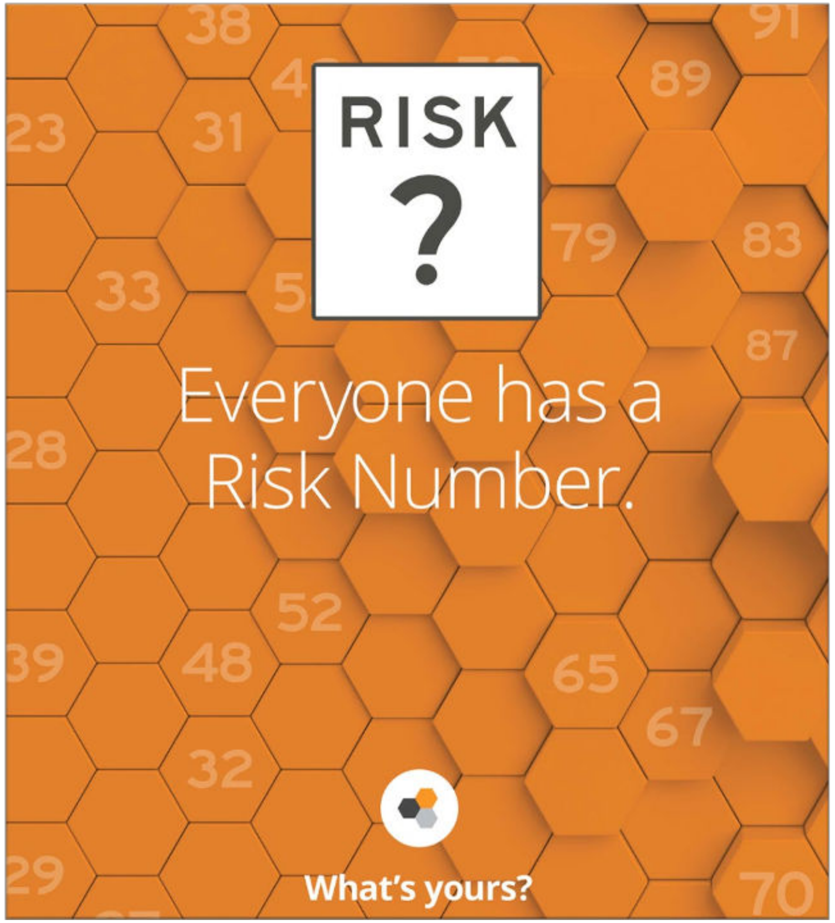
Mitigating Sequence of Returns Risk

Returns of the Market VS Exposure to the Market

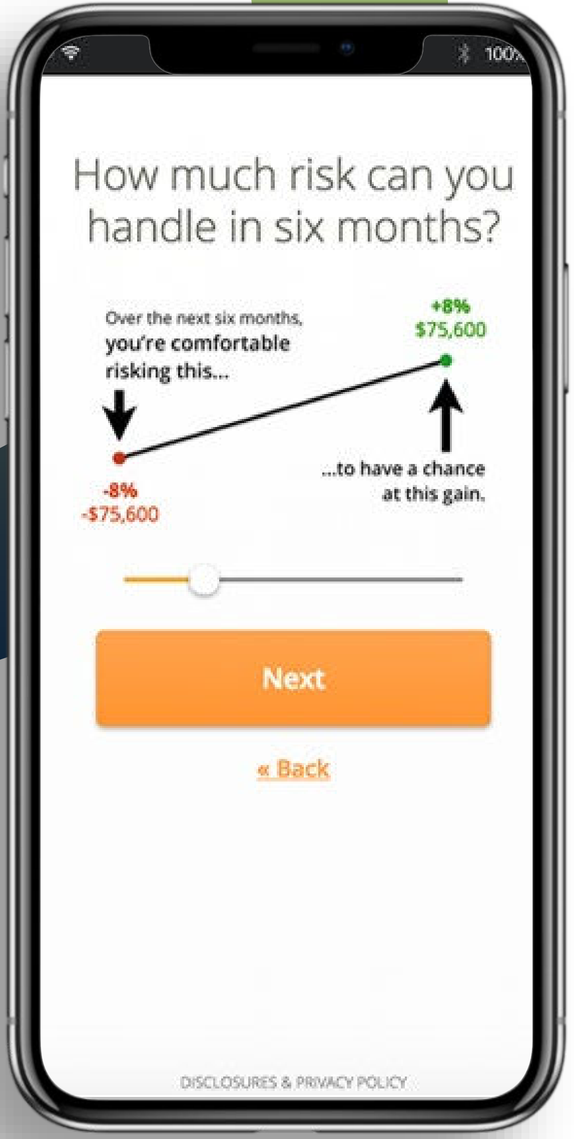


BALANCE PORTFOLIO RISK & LEVERAGE HIGHER INTEREST RATES TO HELP ENSULOW-RISK MONEY IS WORKING HARDER THAN INFLATIONRE

RISKALYZE


RISK
?
Everyone has a Risk Number.
What's yours?


Your Risk Number Is
RISK 1
RISK 58
RISK 99
95% PROBABILITY (6 MONTHS)
-12%
$12,579
$107,000
+20%
+$21,412



How Much Risk Do You Want?

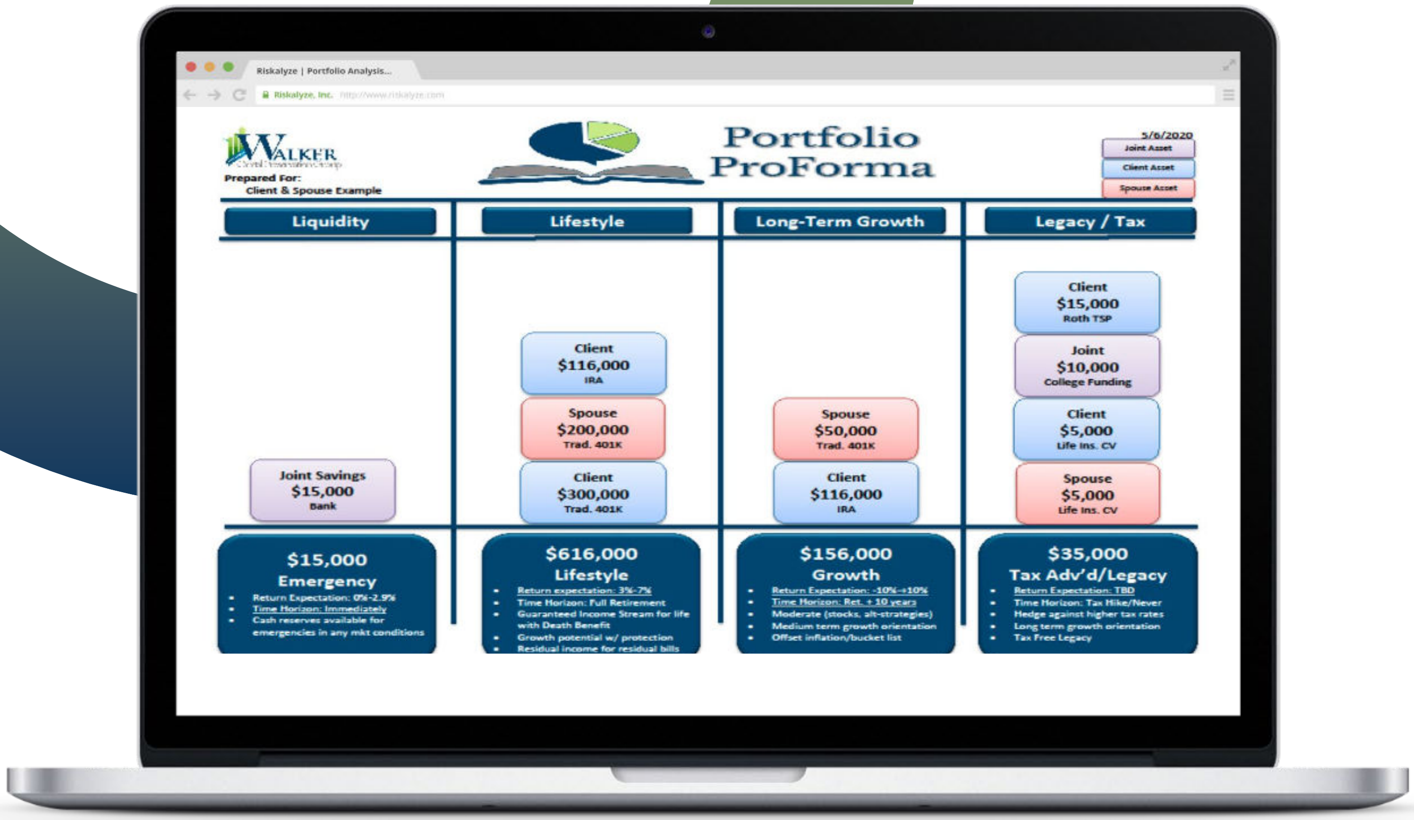
We'll take a quantitative approach to pinpointing your Risk Number by going through a series of objective exercises based on actual dollar amounts.

Risk assessment provided by Nitrogen Wealth (formerly known as Riskalyze) and does not constitute financial, investment, or insurance advice. The risk analysis is intended to provide an assessment of risk tolerance and should not be considered a substitute for personalized recommendations from a licensed financial professional.

How Much Risk Do You Need?

We can chart a path to retirement using a simple, intuitive approach. We'll visualize the probability of a successful retirement and adjust in realtime.

Risk assessment provided by Nitrogen Wealth (formerly known as Riskalyze) and does not constitute financial, investment, or insurance advice. The risk analysis is intended to provide an assessment of risk tolerance and should not be considered a substitute for personalized recommendations from a licensed financial professional.



Where Does Risk Belong in Your Profile?

Using a snapshot of your current portfolio and implementing the chronology often associated with the “Bucket System” we can gauge risk in relation to timeline.

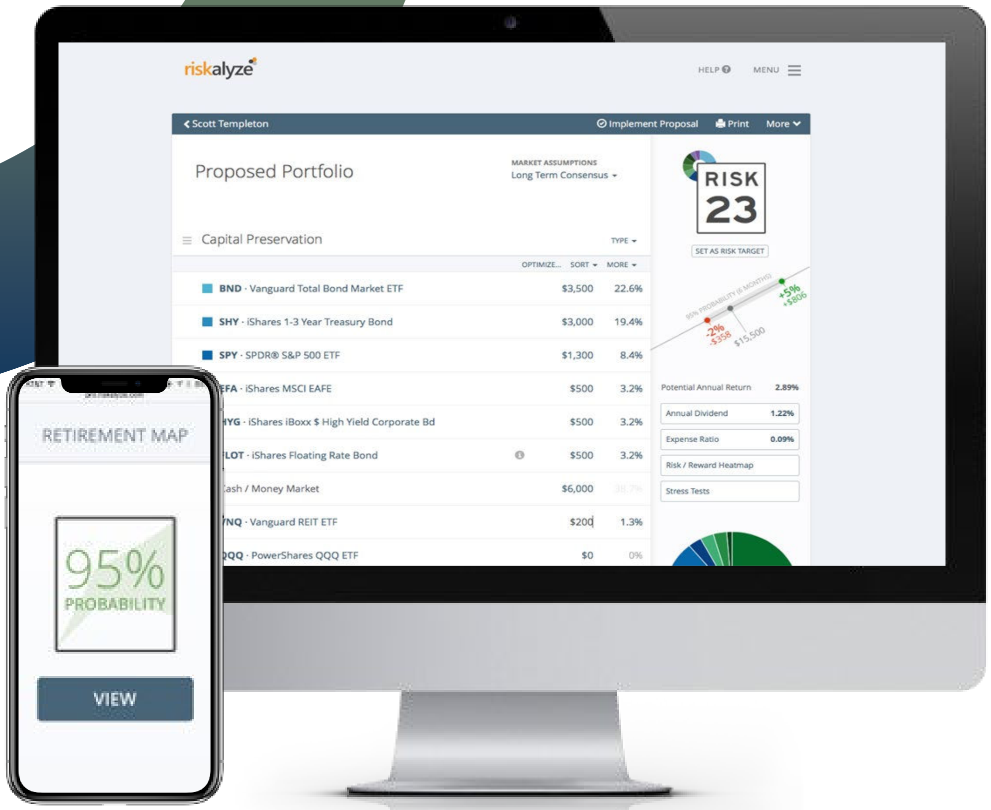
Risk assessment provided by Nitrogen Wealth (formerly known as Riskalyze) and does not constitute financial, investment, or insurance advice. The risk analysis is intended to provide an assessment of risk tolerance and should not be considered a substitute for personalized recommendations from a licensed financial professional.

How Much Risk Do You Have?

If you've already got an investment portfolio, we can quickly import it and see if your Risk Number aligns with your current amount of Risk.

Risk assessment provided by Nitrogen Wealth (formerly known as Riskalyze) and does not constitute financial, investment, or insurance advice. The risk analysis is intended to provide an assessment of risk tolerance and should not be considered a substitute for personalized recommendations from a licensed financial professional.

How Much Risk Do You Have?



We'll use all these factors to build an optimized portfolio that fits your risk tolerance and goals. We can then stress test your new portfolio, discuss your 95% probability range, and set expectations for the future!

Risk assessment provided by Nitrogen Wealth (formerly known as Riskalyze) and does not constitute financial, investment, or insurance advice. The risk analysis is intended to provide an assessment of risk tolerance and should not be considered a substitute for personalized recommendations from a licensed financial professional.

How Much Will You Leave as a Legacy?

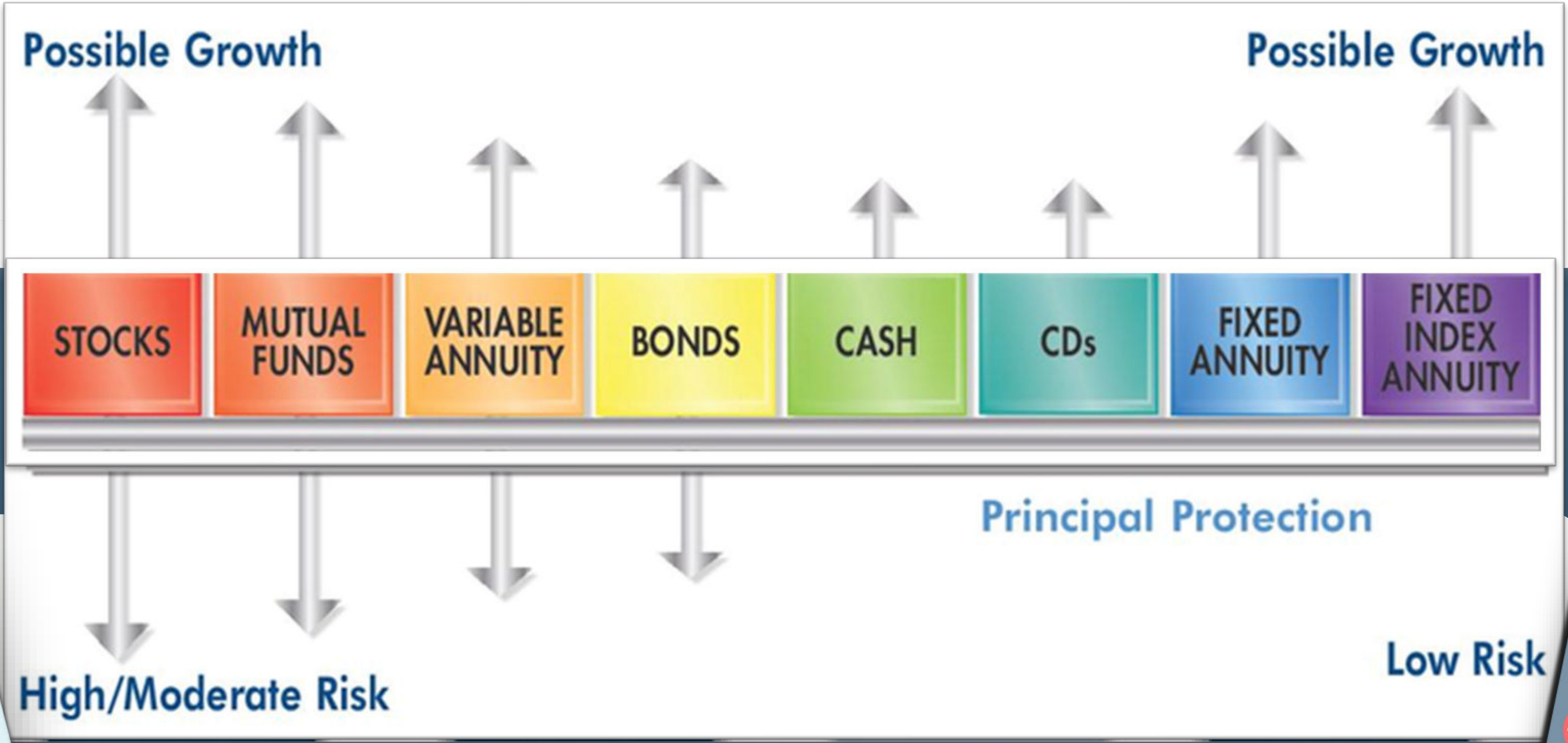
After accurately gauging your spending, forecasting conservatively, stress testing appropriately, and proactively planning... the

Risk assessment provided by Nitrogen Wealth (formerly known as Riskalyze) and does not constitute financial, investment, or insurance advice. The risk analysis is intended to provide an assessment of risk tolerance and should not be considered a substitute for personalized recommendations from a licensed financial professional.

WHAT GOES IN AN IRA or ROTH IRA?

Balance risk & reward of different options

Based on the Chronology of Distributions



FEDucated Food for Thought

Understand Your Retirement Timeline

Are you in the Accumulation Phase, the Pretirement Preservation Phase, or the Distribution Phase of your life?

Understand TSP Strengths & Constraints

What are the highlights of the TSP? How do those change when there is no matching contribution in retirement? What leads retirees to consider transferring to an IRA?

Strategically Plant Seeds in TSP

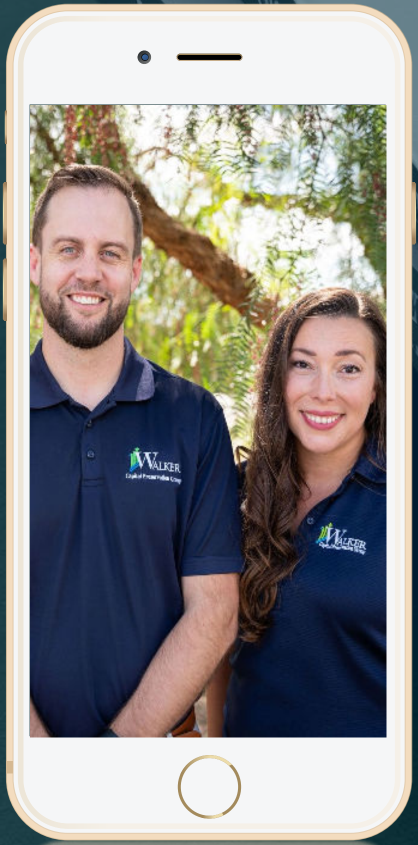
Are you going to pay taxes now or later? Are you Dollar-Cost Averaging into a volatile market? Does your timeline justify a lot of risk or need to emphasizes protection?

Tactically Position Your Savings Harvest

Have you defused the Tax-Deferred Timebomb in your Traditional TSP>How much risk are you taking vs how much risk your retirement requires?

Exclusive Offer

FEDucated Attendees Only



Step 1: Schedule a Call to Discuss Your Retirement with Walker Capital
Step 2: Get a FREE COPY of WELL-FED the best-selling retirement ‘cookbook’

Your Questions	Your Retirement	WCPG's Services	Retirement Forecasting

Contact Our Team

LEARN MORE @ WALKERCPG.com

Learn more using the WCPG Toolbox on our website – articles, videos, calculators, event replays, and easy scheduling!

SCHEDULE AN INTRODUCITON

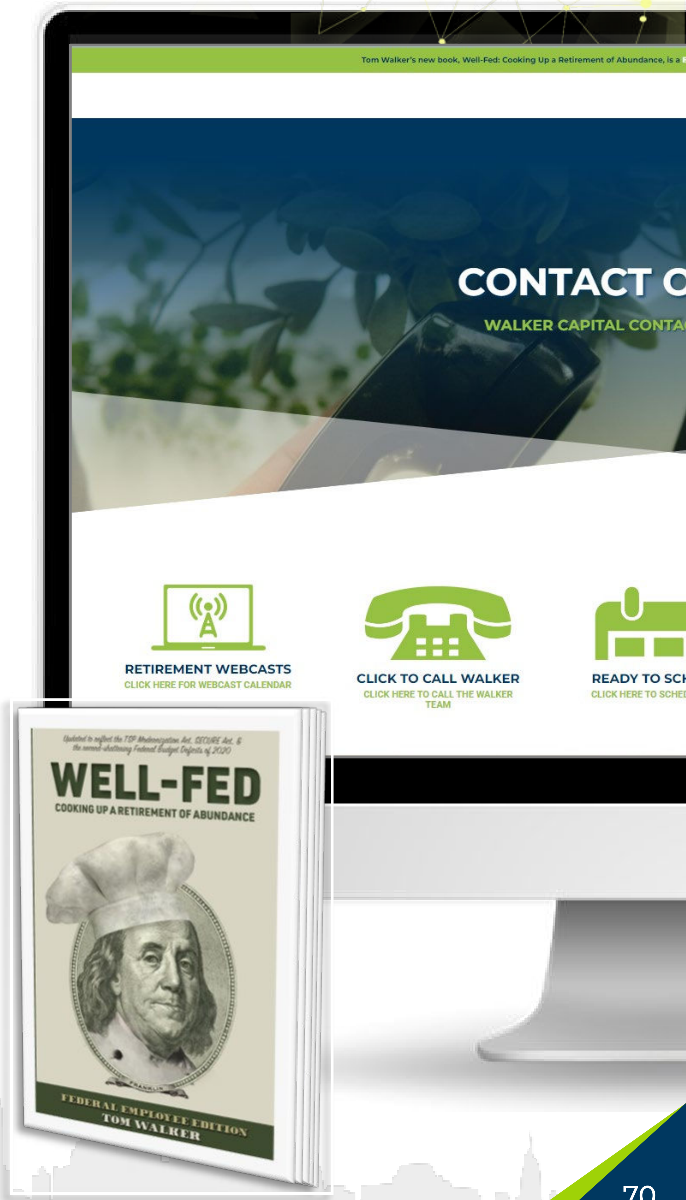
Brief phone call with a **WCPG Strategist** to chat & gather data for a personalized Retirement Benefits Forecast - reviewed with you during **Strategy Session**

RETIREMENT BENEFITS FORECAST

Review a powerful analysis that offers a 100% personalized model of your current retirement trajectory including Pensions, SS, & Nest Egg with ability to Stress Test in real time

WCPG STRATEGY RECOMMENDATIONS

Identify Strengths & Weaknesses of current retirement trajectory. Identify WCPG Services that align with your concerns & can help fuel your retirement



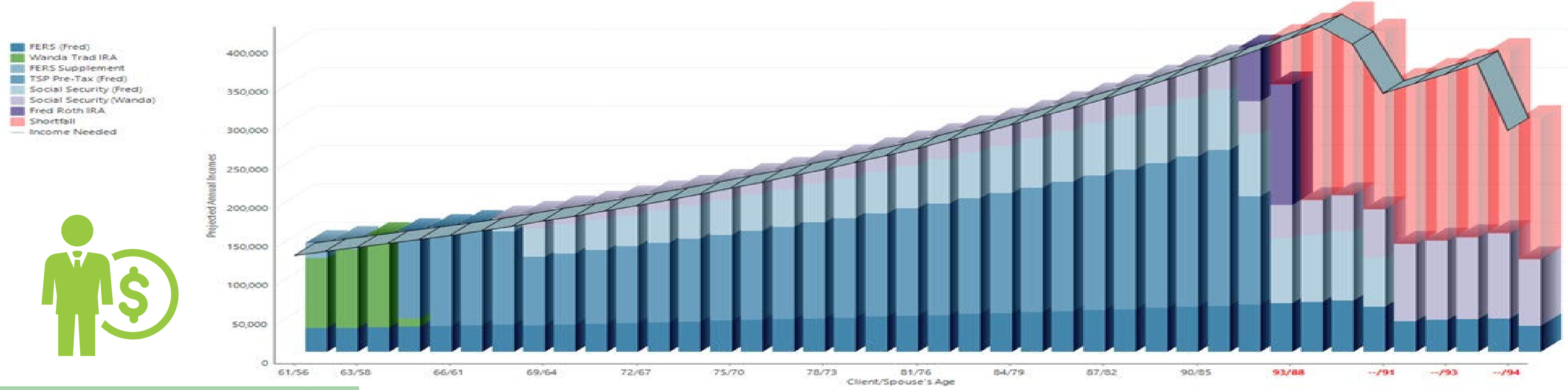
WHAT IF SOCIAL SECURITY TRUST FUND INSOLVENCY REDUCES SS BENEFITS IN 2035 AS PROJECTED?

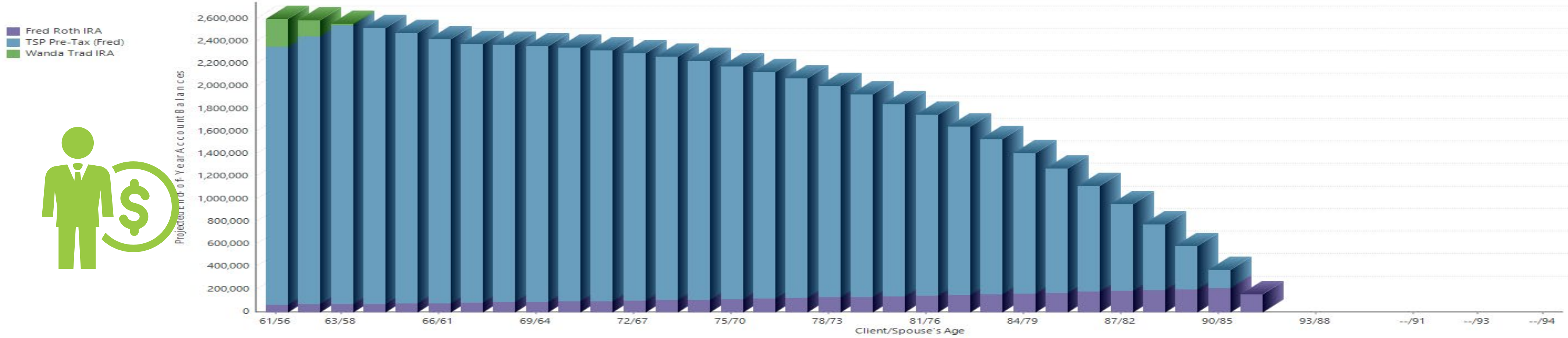
FRED & WANDA SERBUS

Social Security Trust Solvency Issues = 2035

SS Benefit Reduction in 2036+ shown at 21%

What if the **Social Security Trust** ran out in 2035 & could only pay 79% as SSA has projected?





THE END!

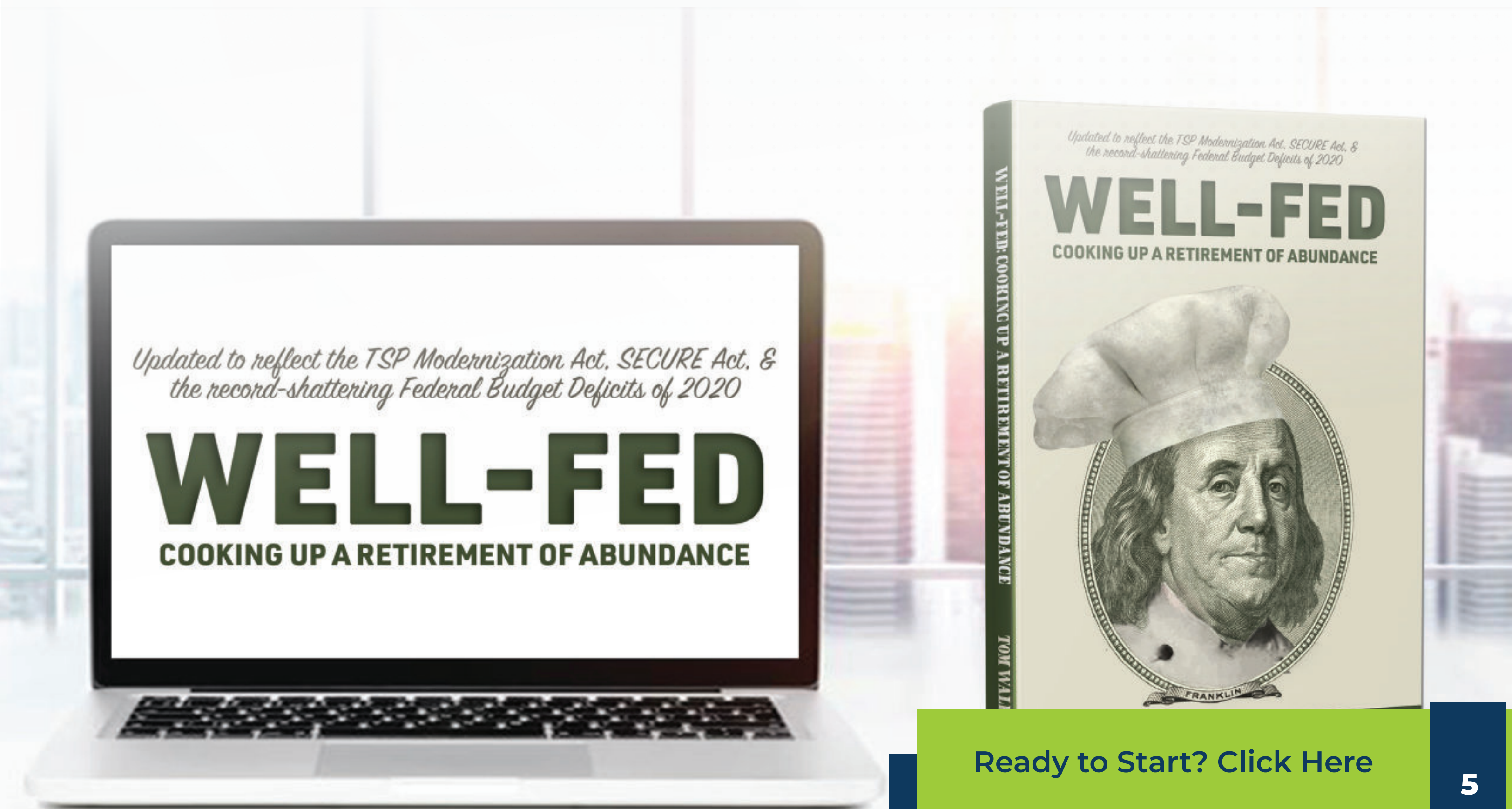
SCHEDULE HERE

CONTACT INFORMATION

Ready to get started? Great!

- Schedule your very own Introduction Call below!
  - Schedule an Introduction with WCPG Here!
  - 227 W 4th St. #233, Charlotte, NC 28202
  - (704) 879 3137
  - Info@walkercpg.com
- **Well-Fed: Cooking Up a Retirement of Abundance by Tom Walker**

  Amazon #1 New Release & Best-Selling Book in 9 Different Finance Categories!
  - Well-Fed: Cooking Up a Retirement of Abundance
  - Click Here to Purchase Well-Fed on Amazon



Ready to Start? Click Here

WALKER
Capital Preservation Group

FEDUCATED
FEDERAL RETIREMENT CURRICULUM

RETIREMENT IS A JOURNEY

Walker Capital Is Here To Help You Navigate