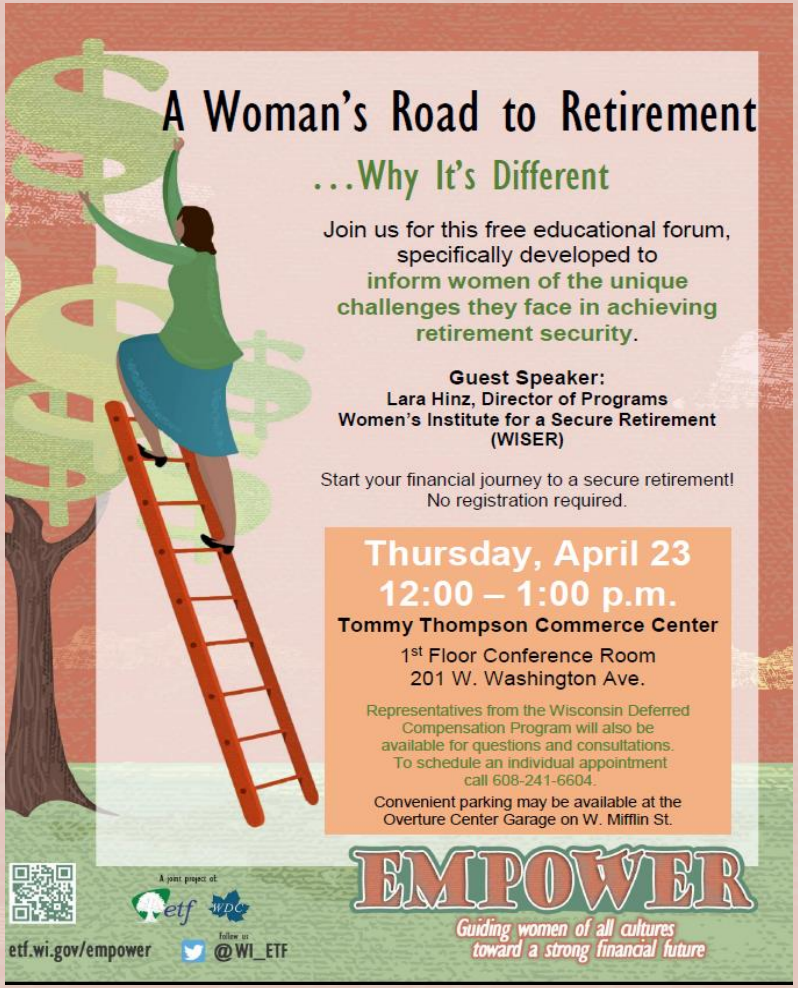
Guiding women of all cultures toward a strong financial future

EMPOWER

Embracing and Promoting Options for Women to Enhance Retirement

May 6, 2015

April 23, 2015 - EMPOWER KICKOFF



April 23, 2015 - EMPOWER KICKOFF

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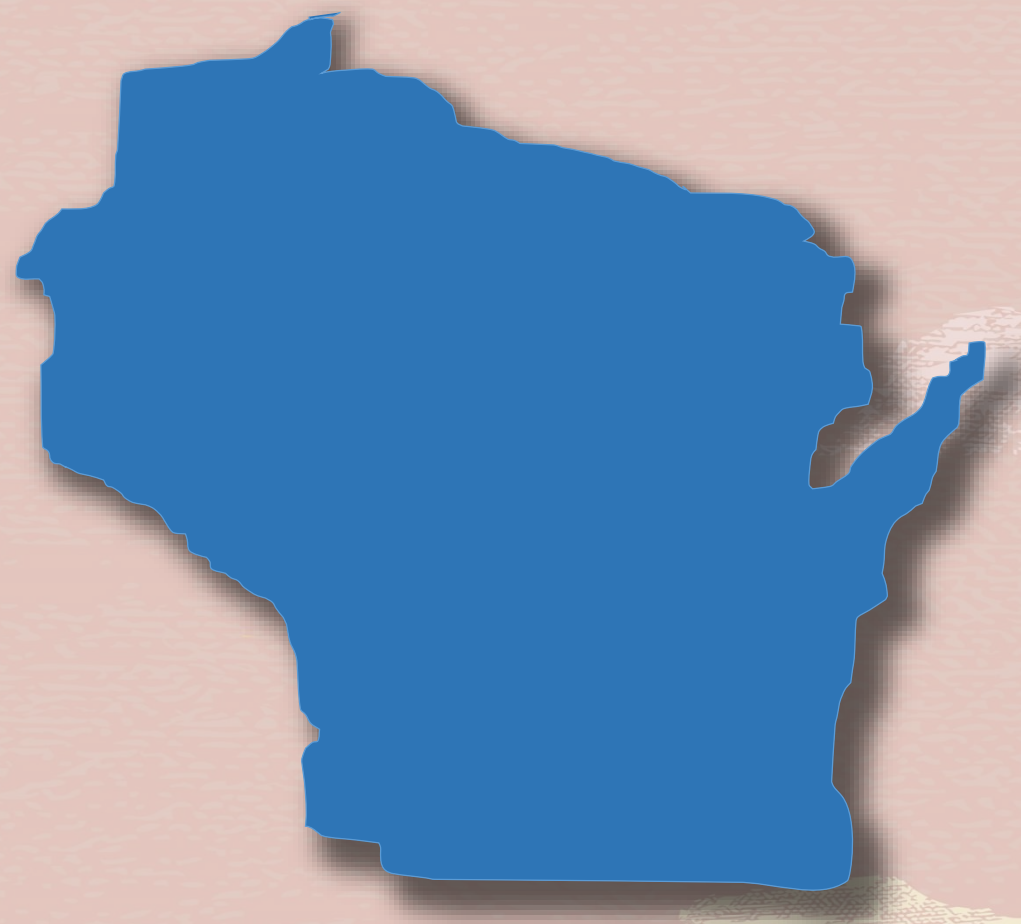
Why are We Doing This?

"The largest growing segment of our population is poor, elderly women."

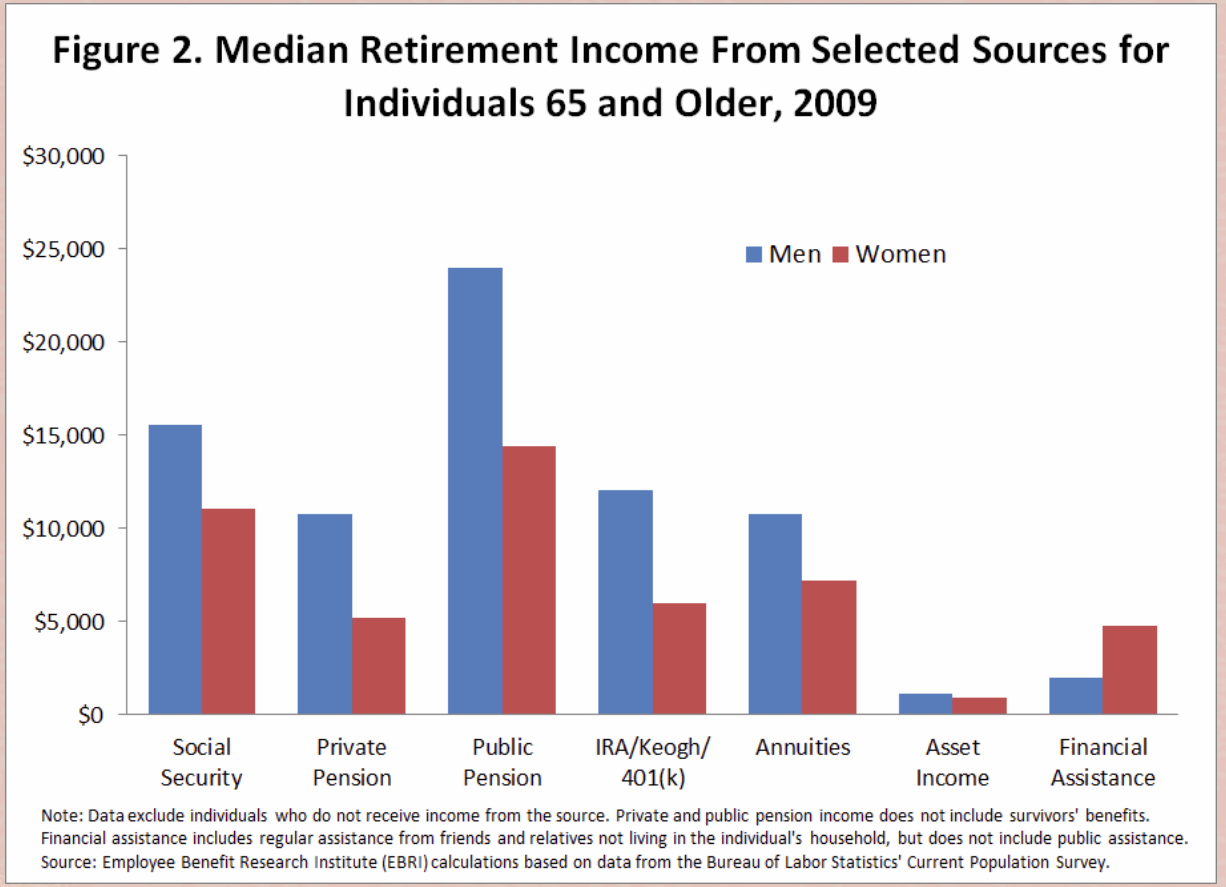
--Teresa Heinz Kerry

Wisconsin

- Nearly two-thirds of all households in poverty in Wisconsin are headed by single women
- Among older adults in Wisconsin, women outnumber men among the poor at a rate of more than two to one



Retirement Income



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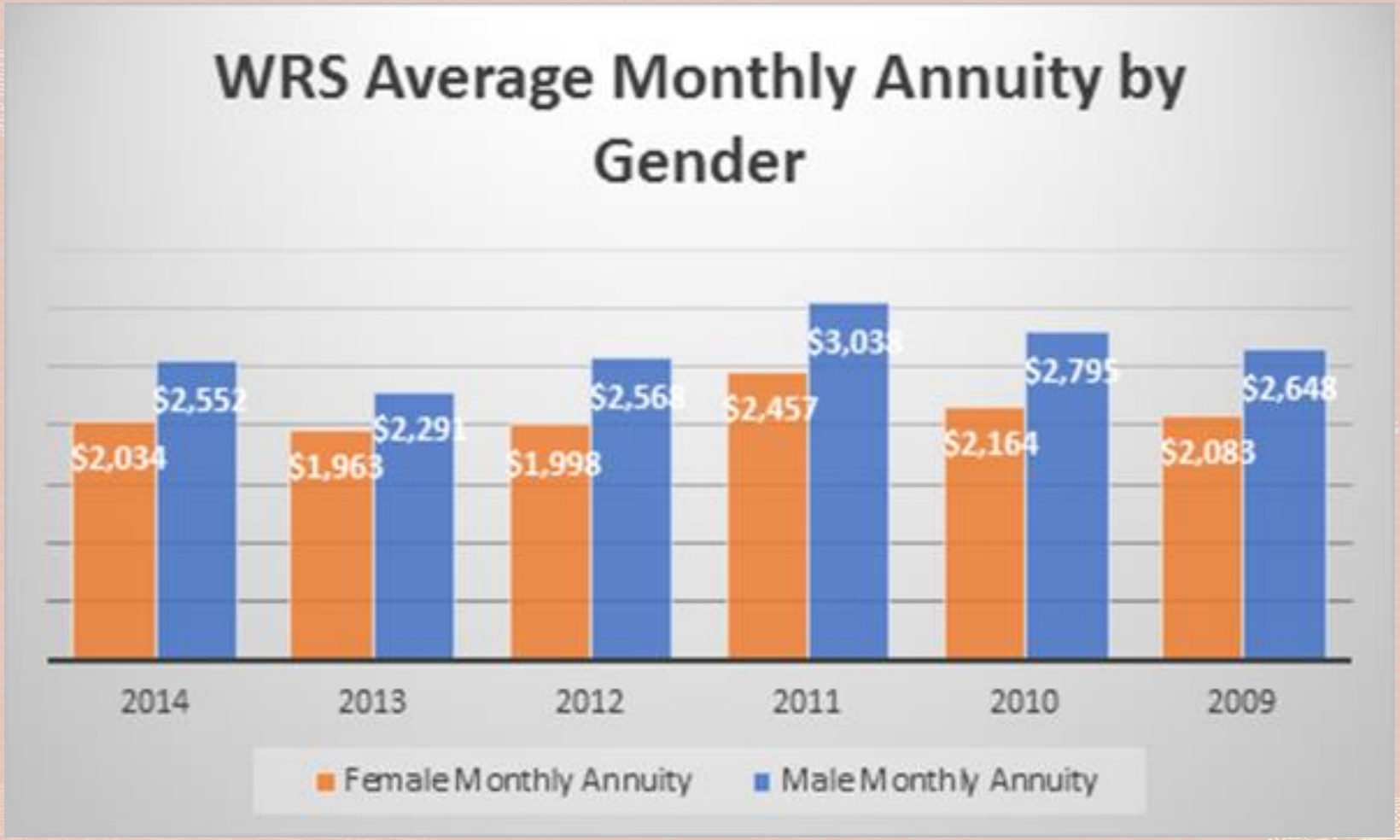
WRS


WRS Average Monthly Annuity by Gender
$2,034
$2,552
$1,963
$2,291
$1,998
$2,568
$2,457
$3,038
$2,164
$2,795
$2,083
$2,648
2014
2013
2012
2011
2010
2009
Female Monthly Annuity
Male Monthly Annuity

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The WRS Matters

- A single female, earning $50,000 a year who **is not** covered by a defined benefit plan has an 82% chance of outliving her financial assets in retirement.

- A single female, earning $50,000 a year who **is** covered by a defined benefit plan has a 35% chance of outliving her financial assets in retirement.

Women are Positive about Retirement

Increasing Retirement Savings by Working Women:

Understanding Gender Disparities in Wisconsin Deferred Compensation Program Account Balances

- Grant Funding from the Social Security Administration
- University of Wisconsin-Madison Center for Financial Security
- Wisconsin Department of Employee Trust Funds
- Wisconsin Deferred Compensation Program

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New EMPOWER Website & Twitter

Empower webpage:
http://etf.wi.gov/empower/

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Will you have enough to retire?
Our Stories
Guiding women of all cultures toward a strong financial future
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Embracing and Promoting Options for Women to Enhance Retirement
Did you know that women are almost twice as likely as men to live in poverty after retirement?
In addition, women typically make less money than men during their working careers and are more likely to stop working to care for family members.
A Woman's Road to Retirement - Why It's Different
April 23, 2015
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About
Resources
Agency Toolkit
For a number of reasons, women save significantly less money for retirement than men. Being part of a defined benefit plan, like the Wisconsin Retirement System, reduces the likelihood that you'll live in poverty after retirement. But you need to do more to build a strong financial future.
ETF, the Wisconsin Deferred Compensation Program, and Affirmative Action Committees at Wisconsin state agencies are sponsoring EMPOWER, a statewide educational campaign to inspire and encourage women to save for their retirement.
Meet Angela
Meet Tamika
Meet Naava
How can I grow my retirement savings?
When you enroll in the WDC Program, growing your supplemental retirement savings is easy (paycheck deductions), inexpensive (comparatively low fees) and lowers your taxable income with tax-deferred investments. Pre-tax and post-tax options are available. There are 18 different investment options to suit your investment style and risk tolerance. If you are ready to start planning your financial future, check out WDC's free online calculators, e-learning and other resources at www.wdc457.org.
WDC is a supplemental retirement savings program available to state and university employees. Local government and school district employees may also be eligible if their employers offer this optional program.
Tweets
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Women receive significantly lower retirement benefits than men. EMPOWER yourself to learn why. etf.wi.gov/empower pic.twitter.com/Cf2DOUV68A
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Schedule of Events

Here is our schedule of events for 2015. Watch for regular additions to this schedule.
Revised April 13, 2015

Event	Date / Time	Address	Location
How to Use ETF's Online Retirement Calculator	April 15, 11:30 a.m. -12:00 p.m. April 23, 12:00-12:30 p.m.	How to Use ETF's Online Retirement Calculator	ETF Webinar
Money Smart Week	April 18 - 25	www.moneysmartweek.org	Wisconsin
10 Key Things To Know About Your Statement of Benefits	April 21, 12:30-1:00 p.m. April 28, 11:00-11:30 a.m. April 29, 11:00-11:30 a.m.	10 Key Things To Know About Your Statement of Benefits	ETF Webinar
A Woman's Road to Retirement - Why It's Different	April 23 12:00 - 1:00 p.m.	Tommy Thompson Building 1st Floor Conference Room 201 W. Washington Ave.	Wisconsin
WDC Vanguard Principles of Investing Webinar	April 30 12:00 - 1:00 p.m. May 19 12:00 - 1:00 p.m.	Principles of Investing Webinar	Vanguard Webinar
Well Wisconsin Expo	May 13 10:00 a.m. - 2:00 p.m.	Monona Terrace Community and Convention Center 1 John Nolen Dr.	Madison WI
National Save for Retirement Week	October 20 - 24	www.icmarc.org	Nationwide

Look Back to: May, 1943
Legislation creating a retirement system for State of Wisconsin employees became law. An 80-year-old state employee, who along with several other women coworkers, scrubbed the state capital floors with a mop and a bucket, lobbied the governor to reconsider his promised veto of the legislation. Many consider Ingeborg Sidwell to be the catalyst for the retirement system to become reality.
Read more about this here

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A Women's Road to Retirement -Why It's Different…

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May 6, 2015

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A Women's Road to Retirement …Why It's Different

Lara Hinz, MSW
Director of Programs
Women's Institute for a Secure Retirement

May 6, 2015
Madison, Wisconsin

WISER
WOMEN'S INSTITUTE FOR A SECURE RETIREMENT

Women's Institute For a Secure Retirement (WISER)

- Nonprofit organization founded in 1996.
- Provide women with basic financial information aimed at helping them take financial control of their lives.
- Help educators & policymakers understand important issues and barriers surrounding women's adequate participation in the nation's retirement systems.
- Bring together key stakeholders to work towards solutions that improve women's retirement outcomes.

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National Resource Center on Women & Retirement Planning

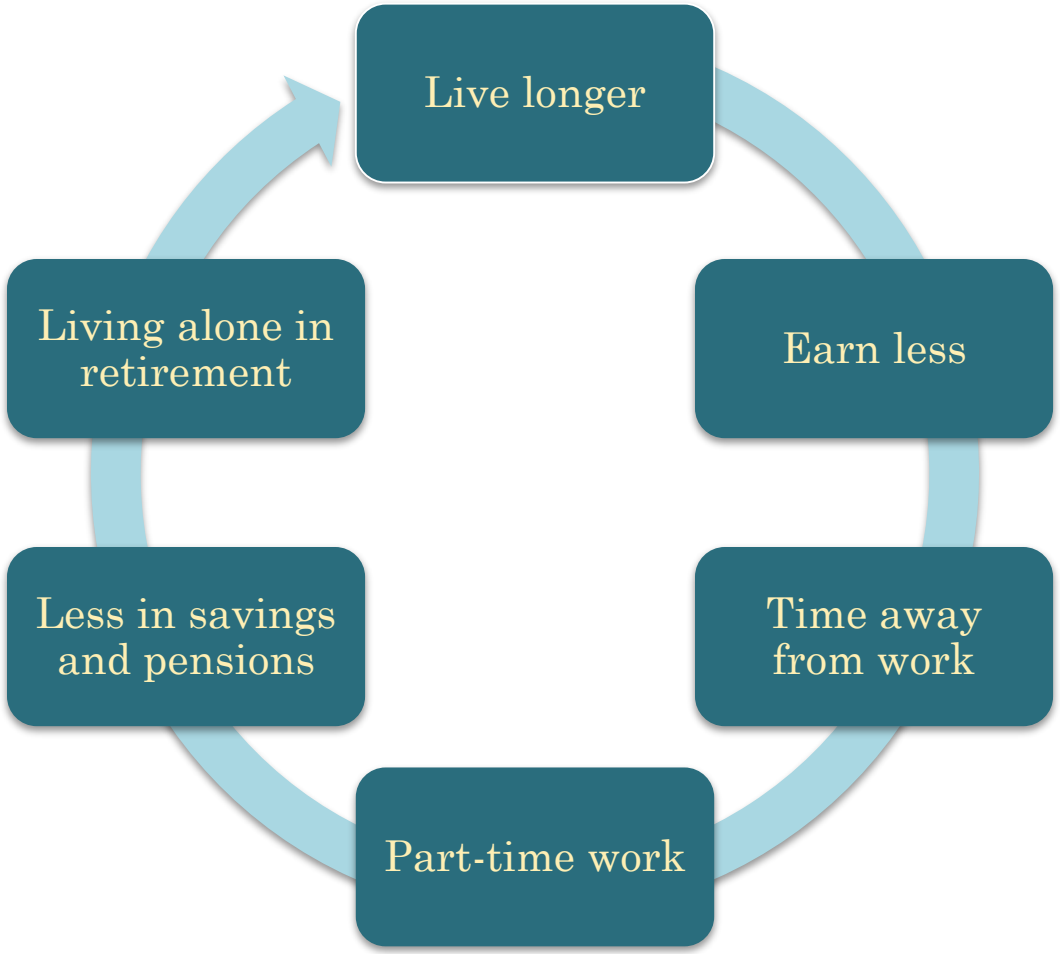
- A "one-stop" gateway for retirement planning information and resources.
- Operate through a cooperative grant with the U.S. Administration on Aging.
- The Center’s goal is to work with the Aging Network in educating women of all ages about planning for their future financial, health and long-term care needs.

Why Focus on Women

There are many more older women than men!

- At age 65+, there are 6 million more women than men.
- Women make up 71% of the 85+ population.
  - This age group expected to double, even triple over the next 3 decades.
  - This is the group most likely to end up in poverty.
- Many women who have never been poor before end up in poverty in old age.

ISSUES UNIQUE TO WOMEN



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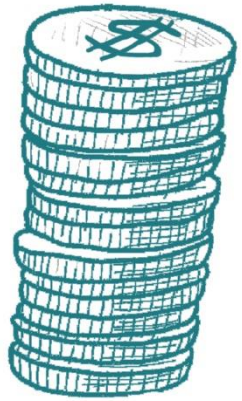
Unique Issues



Earn less

- Full-time working women earn about 78 cents for every dollar men earn.
- Median income of older women is $15,248, compared to older men's income of $28,586.
- Income from pensions: $12,000 men & $6,420 women.
- Income from Social Security: $16,398 men & $12,520 women.

Unique Issues

Part-Time Work & Caregiving

- Women are twice as likely to work part-time – part-time jobs generally do not offer benefits.
- Women are still the primary caregivers—66% of caregivers are women.
- Women average 12 years out of the workforce to provide care to their families.
- 20% of working caregivers have taken leaves of absence.

Costs of Caregiving

A study by NAC and MMI found:

- Cost impact for women caregivers was $324,044 due to lost wages and loss of Social Security benefits and pensions.

Some less obvious examples of caregiving costs:

- Reduction in savings and investments.
- Lost opportunities for compound returns or retirement matching contributions.
- An inability to finance home improvements that could increase the resale value of a home.

Unique Issues

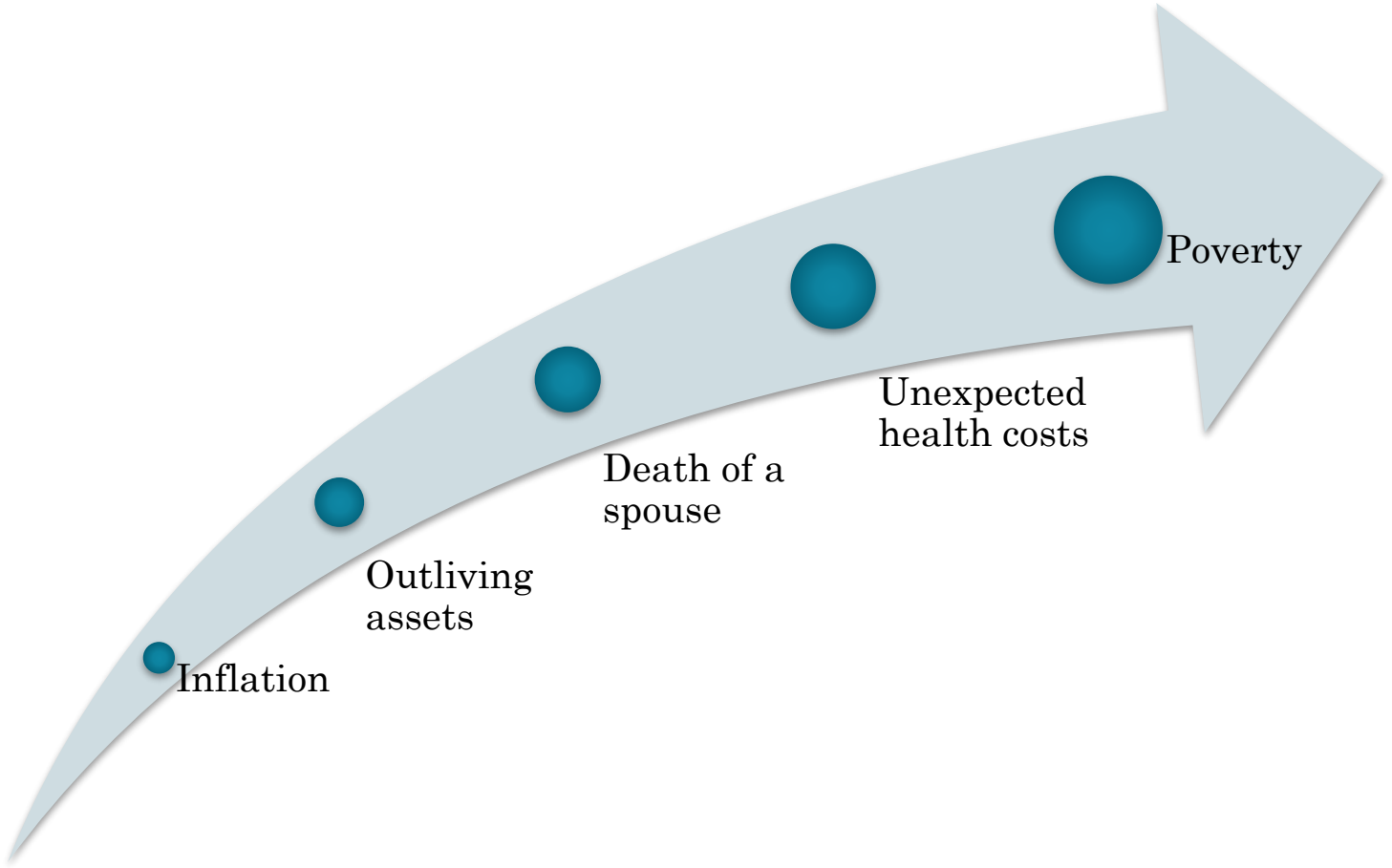
Live longer

- A woman who is 65 years old can expect to live to age 88, while a 65-year-old man could expect to live to age 86.
- Financial risks associated with longevity.

Living alone in retirement

- 58% of women over age 65 are single (widowed, divorced or never married).
- Periods of widowhood lasting 15+ years is not uncommon.

FINANCIAL RISKS OF LONGEVITY



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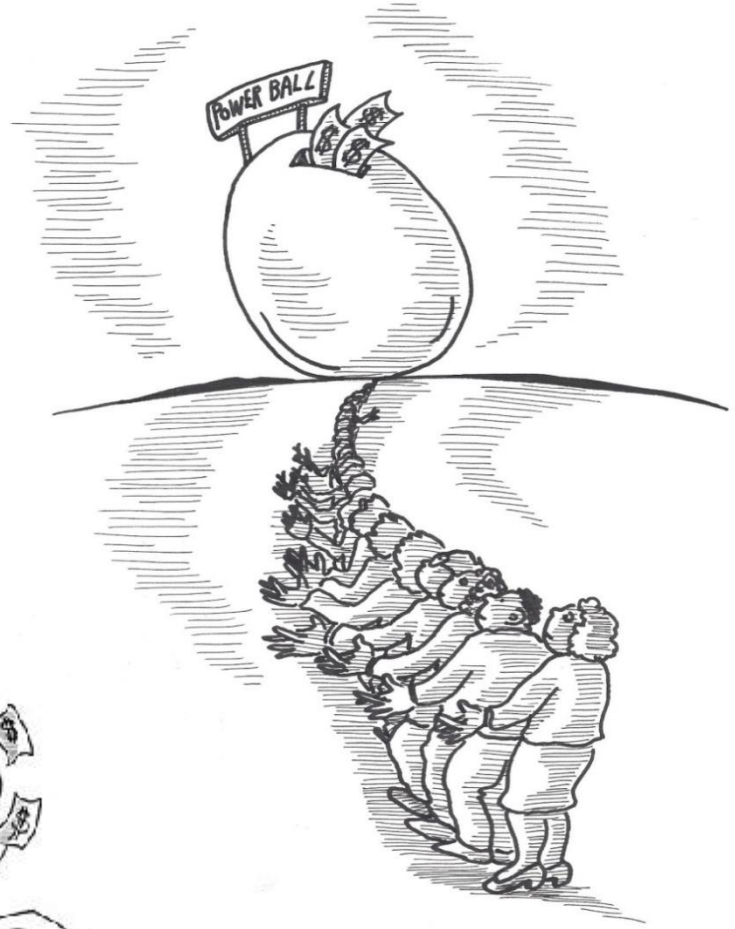
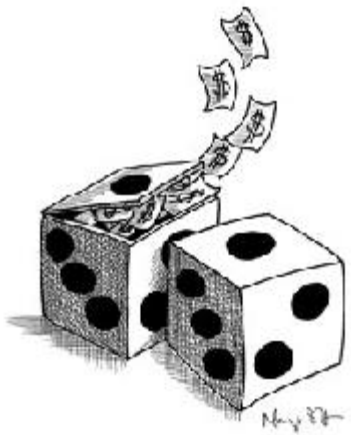
Longevity Planning

- Women especially need to take control at the earliest possible age.
- Women need more income and they vastly underestimate how long they may live and how much they will need.
- Women need to shift their thinking and recognize the reality of old age in the 21st Century—retirement may be 1/3 of your life.
- The biggest risk for women is outliving savings and they will not know that until it's too late.

What is Your Plan?

- Never retire—"I will work until I die."
- "My children will take care of me."
- Win the lottery.





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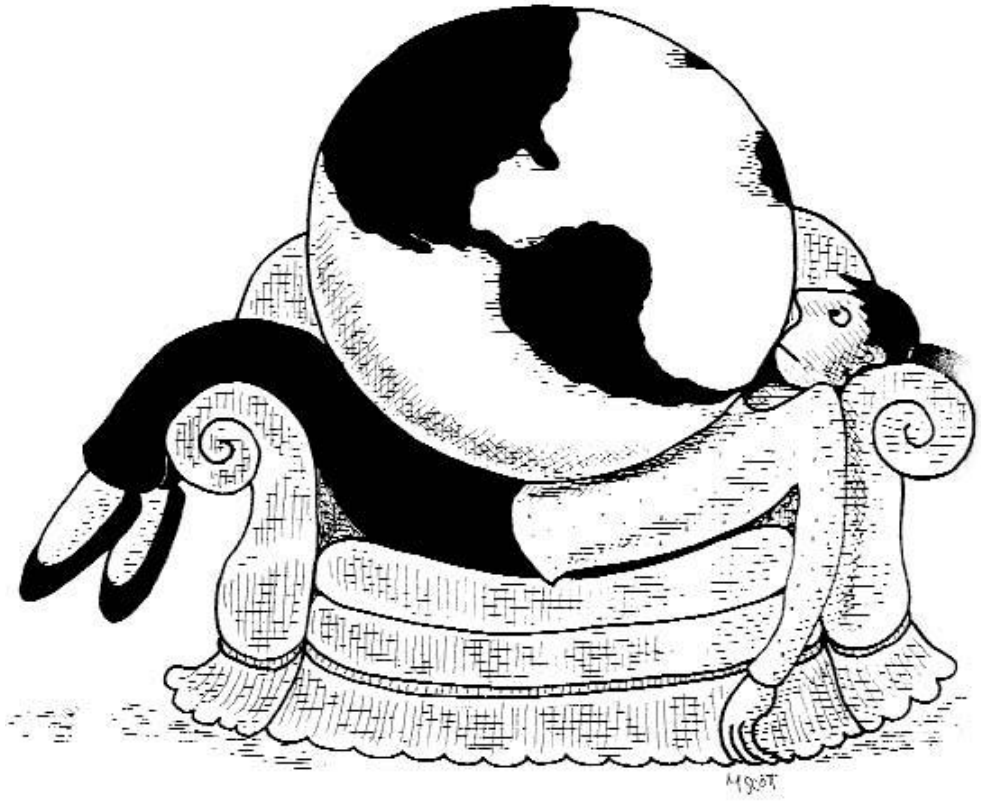
Retirement Issues are Overwhelming

But women need to take charge!



A Few Places to Start:

- Get Involved!
- Know “Your Number”
- Get to Know Your Sources of Retirement Income
- Learn About Ways to “Close the Gap”
- Get Help if You Need It

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GET INVOLVED:

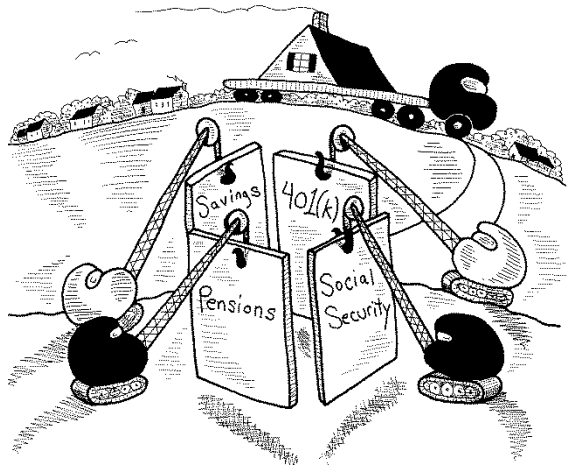
- Many women manage the family's daily finances—pay bills, etc.—but far fewer are involved in the longer-term savings and investments.
- Be prepared in case you find yourself on your own one and solely responsibly for all the finances.

KNOW YOUR NUMBER:

- Figure out how much income you will need in retirement—even a best guess estimate is helpful.
- Lots of great tools and online calculators make this easy. Examples:
  - www.retireonyourterms.org - Calculators
  - AARP: http://www.aarp.org/work/retirement-planning/retirement_calculator.html
  - DOL's "Taking the Mystery out of Retirement"

Get To Know Your Sources of Retirement Income:

- Social Security
  - http://www.ssa.gov/myaccount
- Employer-sponsored retirement plan (WDC)
- Other savings and investment accounts
- What do you AND your spouse/partner have?



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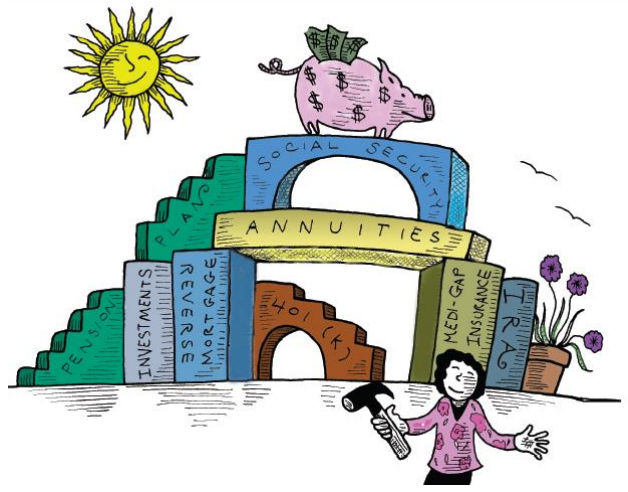
Learn About Ways to Close the Gap:

- Create or re-evaluate your budget
- Need to save more?
  - AmericaSaves.org
  - Choosetosave.org
  - MyMoney.gov
  - EconomicCheckUp.org
- Increase retirement plan contributions
- Downsize earlier
- Take advantage of the great information you receive from the EMPOWER Campaign

GET HELP IF YOU NEED IT:

- Learn the basics of investing and retirement planning – good, basic information can go a long way!
- Work with a financial advisor.
- Talk to each other and share your experiences.



THANK YOU!

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www.wiserwomen.org

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Wisconsin Deferred Compensation Program Highlights

Kristy Igl
WDC Program

EMPOWER

9 Reasons to Enroll in the WDC Today

- Easy enrollment
- Tax-deferred and Roth savings options available
- Low cost ($0 if under $5,001)
- Variety of quality investment options
- Convenient account management
- Personal and professional service
- Savings and investment education available throughout your career
- Flexible withdrawal options
- Your future self will thank you

Enroll today. It's that simple!

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Thank you!
QUESTIONS?

Contact Us

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Madison, WI 53718

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