



## Wisconsin Strong Women: Unique Challenges to Achieving Financial Security

June 24, 2021

### Answers to Frequently Asked Questions (General)

*Please note: The information in this document is not legal advice. Talking with your financial planner is always a good idea before taking any action.*

A link to the recorded webinar is available [here](#).

#### **1. Approximately what range of money is considered a low investment amount?**

We think you may be asking how much a woman should save for her retirement. This is a great question. Everyone's "number" is different, but we all have one important similarity: We need to plan for retirement. There is no time like the present to get started on this. As noted by the Women's Institute for a Secure Retirement (WISER), retirement planning "is not just about saving money, it's also about knowing how much you will need in retirement and creating a plan that will help you get there." WISER has links to some good retirement planning calculators, which you can access [here](#) that may help you determine how much you need.

Keep in mind, too, that if you are a Wisconsin Retirement System (WRS) member, you'll have a pension after you retire. Your WRS benefit, when combined with Social Security, is intended to give you a retirement income that is 50-70% of what you earned before retirement. It is important to make a plan to cover what else you may need.

If you have a Wisconsin Deferred Compensation Program (WDC) supplemental retirement savings account, another way to help figure out your number is to advantage of the WDC's free "retirement readiness reviews." These are virtual meetings (currently) that help identify how much you have between your WRS pension estimate, your WDC account and Social Security, and how much you might need in retirement. Then the WDC representative can share suggested savings strategies including WDC investment recommendations and advice for how to reach your retirement goals. Likewise, most credit unions in Wisconsin, including Summit and the UW Credit Union, offer similar services to their members. And don't forget that the WISER website has terrific [retirement planning information](#) available at your fingertips.

#### **2. What advice can you give to women in their 50s who have always worked and have excellent skills and experience but weren't able to get a degree to go after those higher wage jobs? How do they go after and secure those higher wage jobs over the younger applicants with degrees?**

This is a great question and the Women's Institute for a Secure Retirement (WISER) has provided some suggestions in "[Pay Equity Checklist: What to do to Avoid the Pay Gap.](#)" including:



- Evaluate what contributions you make to your employer, what skills you provide, and assess their value to your employer.
- Consult trade journals, job postings, or Department of Labor wage information to get a sense of the salary ranges for someone with your qualifications in a similar job.
- Ask your supervisor and your colleagues what kind of skills and training you would need to move into a better paying job in your company.
- Network with people outside your company to learn about other job opportunities, essential skills and training, and salaries for comparable positions.
- Look for training, special projects, and other ways to build your skills that could lead to a better paying job.
- Pursue job opportunities with your current employer or with other firms.

**3. I just turned 30 - when should I start meeting with ETF to come up with a retirement plan? I want to make sure the steps that I am taking now will benefit my future.**

The Wisconsin Department of Employee Trust Funds typically does not meet with members until you are within 12 months of your [minimum retirement age](#) (generally age 55), there are other resources that can help you start planning now for retirement. For example, if you are part of the Wisconsin Deferred Compensation Program (WDC), they offer free individual “retirement readiness reviews” that provide personalized savings strategies including investment recommendations and advice. Likewise, most credit unions in Wisconsin offer similar services to their members. And don’t forget that the WISER website has terrific [retirement planning information](#) available at your fingertips.

**4. Can you recommend a financial news source that is tailored specifically to women? My perception is most of the ones out there are geared more to men or both?**

We cannot recommend one financial news source over another. In addition to your regular news sources, you may want to subscribe to [WISER’s free e-newsletter](#).

**5. Is there a defined minimum amount that our experts would recommend for us to save for retirement? If I’m expecting to live until 90yrs, how much do I need?**

See #1 above: WISER has links to some good retirement planning calculators, which you can access [here](#).

**6. I thought SSA was based on your top 3 years of earning? Am I confusing that with ETF?**

Yes, we think so. To be eligible to receive Social Security, you need to have earned 40 credits which you get when you earn income and pay Social Security taxes.



There are more details on how credits are calculated here (<https://www.ssa.gov/benefits/retirement/planner/credits.html>), but generally 40 credits equates to working about a total of 10 years. (Note: They do not have to be 10 consecutive years).

Wisconsin Retirement System (WRS) retirement benefits are based either on a formula or money purchase. The formula benefit is your three highest years of earnings, a formula multiplier, your years of creditable service and an actuarial reduction (if you retire before normal retirement age). The money purchase is calculated by multiplying your money purchase account balance by a factor based on your age. WRS members receive whichever calculation provides a higher amount.

For more information on how the WRS retirement benefit works, click [here](#).