

EMPOWER

Embracing and Promoting Options for Women to Enhance Retirement

In 2015 the Department of Employee Trust Funds – through its Affirmative Action Committee – and the Wisconsin Deferred Compensation Program will sponsor a statewide campaign to raise awareness about the retirement savings gap affecting women. We encourage you to know all you can about your current retirement benefits, explore your different options for saving, and take action now to build a strong financial future.

We have partnered with state agency Affirmative Action Committees to provide outreach and education to employees. Watch for helpful articles in the *WRS News Online* newsletter and communications about educational events and online resources. For more information visit etf.wi.gov/empower, or contact your agency's AAC representative.

A joint project of:



Diversify Your Retirement Savings with WDC

Administered by the Department of Employee Trust Funds, the Wisconsin Deferred Compensation Program 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.

When you enroll in the WDC, 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.

Wisconsin Department of Employee Trust Funds

P.O. Box 7931

Madison, WI 53707-7931

1-877-533-5020 or 608-266-3285

Wisconsin Deferred Compensation Program

5325 Wall Street, Suite 2755

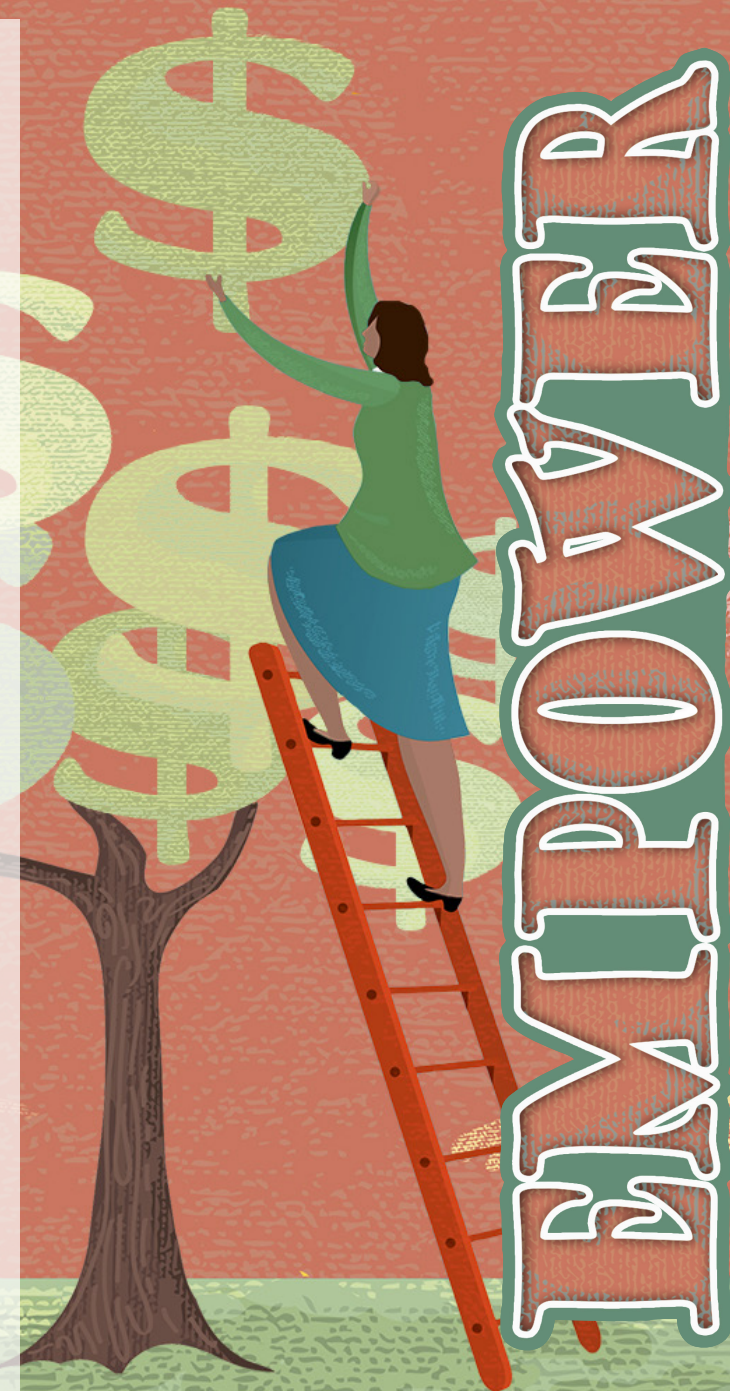
Madison, WI 53718

1-877-457-9327

etf.wi.gov/empower



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Guiding women of all cultures
toward a strong financial future

ET-4138 (REV 4/07/2015)

Will You Have Enough Money to Retire?

You've probably heard this before: "A penny saved is a penny earned." Based on the tables at right, women need to start saving more pennies, especially when it comes to their retirement. Consider this:

- Your WRS monthly annuity is affected by your years of service. If you retire with less than 15 years of service, your monthly annuity may be less than \$747. (See *Table A*)
- Across the board, women consistently retired with lower monthly annuities than men over the past six years. Women who retired in 2014 received \$500 less per month than men. (See *Table B*)

Find out how you can grow your supplemental retirement savings by calling the Wisconsin Deferred Compensation Program at 1-877-457-9327.

WRS Average Monthly Annuities

By Years of Service
(state & local employees)

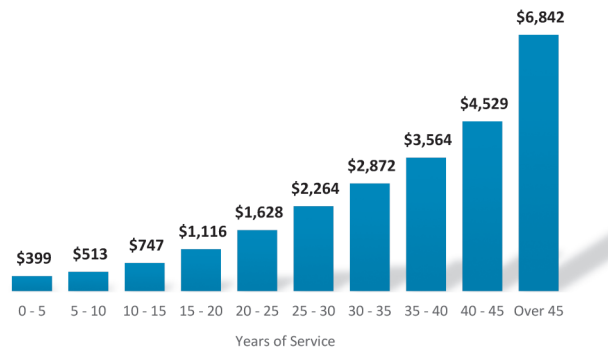


Table A

By Gender (state employees)

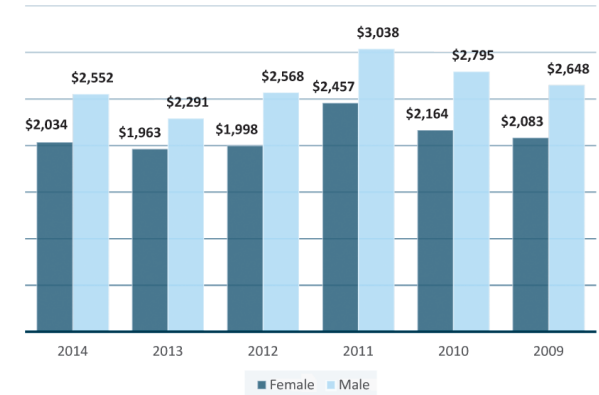


Table B

WHY START SAVING NOW? Here are five good reasons:

1 Women are almost twice as likely as men to live below the poverty line during retirement.

This is especially true for single and minority women. The poverty rate for single Black women over age 65 is 38.5%; for single Hispanic women it's 41.1% – more than twice the rate of White women, at 16.7%.

2 Women make less money during their working years.

For the last decade, median earnings for women working full time, year-round have averaged about 78% of men's earnings. Women are also more likely to work part-time jobs, leaving them with less disposable income, which often leaves less for retirement savings.



3 Women receive significantly lower retirement benefits than men.

Nationally, the median annual income for women over age 65 is approximately \$15,000, compared to same-age men, who had a median income of more than \$25,000.

4 Social Security and a pension may not be enough.

Social Security was designed to provide a minimum level of support. Like defined benefit pensions, Social Security offers a secure income that cannot be outlived. Many fear changes are looming for Social Security. This makes the three-legged "retirement stool" (employer pension, Social Security and individual savings) even more important for working-age women.

5 Women save less.

Saving for retirement among minorities – men and women – is also concerning: A 2007 Employee Benefits Research Institute survey found that 48% of African American and 41% of Hispanic workers have saved money for retirement, compared to 66% of American workers overall.