

# Your Ticket to Retirement



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## NEW TAX RULES IN 2025

Significant updates have been made regarding contribution limits for various retirement plans, providing employees with enhanced opportunities to save for their future. Starting in 2025, the annual contribution limit for employees participating in 401(k), 403(b), governmental 457 plans, and the federal government's Thrift Savings Plan will increase from \$23,000 to \$23,500. This increase allows employees to set aside more of their earnings for retirement, supporting their long-term financial goals.

When it comes to Individual Retirement Accounts (IRAs), the limit for annual contributions will remain steady at \$7,000. However, individuals aged 50 and over are eligible for an additional catch-up contribution of \$1,000. This is particularly beneficial as it encourages older workers to boost their savings as they approach retirement. Notably, this catch-up limit is subject to annual cost-of-living adjustments, but for 2025, it will remain fixed at \$1,000.

Furthermore, employees who are 50 and older and are participating in most 401(k), 403(b), governmental 457 plans, and the Thrift Savings Plan will continue to be allowed a total contribution of up to \$31,000 annually. This figure includes the standard contribution limit in addition to the catch-up amount.

These updates demonstrate a proactive approach to retirement savings, allowing employees of all ages to better prepare for their financial futures. For more information right click on the following link. <https://www.irs.gov/newsroom/401k-limit-increases-to-23500-for-2025-ira-limit-remains-7000>

**The Wayne County Employees' Retirement System (WCERS) provides retirement services for active, deferred, and retired employees of Wayne County, Airport Authority and 3rd**

CONTENT: RAKHEL COLES-MOORE EDITOR: TERRILLA GEE

# Happy New Year.

# New Year New Savings

As the new year begins, embrace the chance for a new you and fresh opportunities to save for your retirement. If your retirement savings have taken a back seat, now is the moment to ignite your passion and commit to building a brighter future for yourself.

If you haven't taken full advantage of your 457 yet, consider this the ideal opportunity to start. Begin by increasing your contribution by 1% and notice how it influences your take-home pay and daily life. This small change can make a meaningful difference! Afterward, you might want to gradually increase it again. This can significantly enhance your retirement savings and help you build a more secure financial future.

The beginning of a new year presents an excellent opportunity to conduct a thorough review of your investment portfolios. This review should include an assessment of your asset allocations and your risk tolerance, both of which are crucial for effective investment management. As life circumstances and financial situations evolve, it's important to recognize that your risk tolerance may also change. Factors such as changes in employment, family status, financial goals, or market conditions can all influence how much risk you are willing to take on. Take the time to carefully analyze your current investment allocations to ensure they reflect your present risk tolerance and financial objectives. If you find that your existing strategy no longer aligns with your needs or comfort level, consider making adjustments accordingly. This proactive approach can help you stay on track toward achieving your long-term financial goals while managing risk appropriately.

Budgeting is a critical aspect of maintaining financial health and effective retirement planning. By understanding where your funds are allocated each month, you can gain valuable insights into your spending patterns. This awareness allows for the identification of any areas of excessive expenditure and facilitates informed adjustments. Additionally, establishing a comprehensive budget provides a solid framework for assessing your financial needs during retirement. Taking proactive steps in managing finances now is essential for ensuring a secure and stable future.

Automating your savings is a powerful strategy for bolstering your retirement fund. By establishing a system that automatically transfers a portion of your income into a savings account or investment vehicle, you effectively remove the temptation to spend those funds elsewhere. This process ensures that your savings are consistently growing, even if the initial amounts are relatively small. Over time, these contributions, combined with the effects of compound interest, can accumulate substantially, significantly enhancing your financial security for the future. The convenience of automation allows you to focus on your other financial priorities while maintaining a disciplined approach to saving and investing.

These are a few things to jump start your savings in the new year. Starting your yearly retirement saving early can pay off for you in the future.

*Happy New Year.*

## Building a Foundation of Financial Wellness

The more you know about your available retirement benefits, the more you can truly make them work for you. We believe it's important that you understand your entire financial picture and how it can shape your future. The education we provide is designed with one thing in mind — empowering you to pursue the future you want! Join us to learn more about your retirement plans and ways to help keep your financial path on track.

**Date/Time:** Wednesday, January 15, 2015 at Noon

**Meeting Topic/Description:** Building a Foundation of Financial Wellness

### Key Topics:

- ⇒ Budgeting
- ⇒ Debt/Credit
- ⇒ Savings
- ⇒ Steps to take toward financial wellness

Learn about the features and benefits of your Wayne County retirement plans. Visit [www.empower.com/waynecounty](http://www.empower.com/waynecounty). For help with any questions about your account, contact your retirement counselor, Kandie Anglin, at 248-840-0655 or [kandie.anglin@empower.com](mailto:kandie.anglin@empower.com)

Wayne County Retirement Regular & Quarterly Board Meetings Schedule 2025: All meetings will be held on the 18th floor of the Grand Park Centre at 10:00am, unless otherwise specified.

Monday, January 27	<i>Monday, February 10</i> Monday, February 24	Monday, March 31	Friday, April 25	<i>Friday, May 9</i> Tuesday, May 27	Monday, June 30
Monday, July 28	<i>Friday, August 8</i> Monday, August 25	Monday, September 29	Monday, October 27	<i>Friday, November 14</i> Friday, November 21	Friday, December 19

### WAYNE COUNTY RETIREMENT COMMISSION

#### EMPLOYEE MEMBERS

Henry Wilson, Chair  
Frank Simone, Vice Chair  
Tom Yee  
Denis Martin

#### RETIREE MEMBERS

Elizabeth Misuraca  
Ron Yee

#### EX-OFFICIO MEMBERS

Warren C. Evans  
Wayne County Executive  
Assad Turfe  
Designated Representative  
Alisha Bell, Chairperson  
Wayne County Commission

Happy New Year.