CHARTER COUNTY OF WAYNE

Your Ticket to Retirement

Wayne County Employees' Retirement System
Robert J. Grden, Executive Director

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CREATING A 3 BUCKET STRATEGY FOR RETIREMENT!

The 3 Bucket Strategy is a financial planning method that organizes your money into three groups: short-term needs, mid-term needs, and long-term goals. By dividing your funds this way, you can decide how to use your money based on when you will need it. This strategy helps you save for immediate expenses, plan for medium-term needs, and grow your savings for future goals like retirement or estate planning.

One major benefit of this strategy is that it helps you manage your resources over different time periods. This way, you can access your money when you need it, without taking on too much risk or having too little.

The article also discusses the safe bucket approach. This is useful for retirement planning and works with your risk tolerance. It involves gradually moving money from higher-risk investments to safer ones as you get closer to retirement. At retirement, it's recommended that your savings equal 25 times your estimated yearly spending. This is called the "25 Times Rule." For example, if you plan to spend $50,000 a year in retirement, you need to save at least $1.25 million.

If you want to learn more about creating a 3 Bucket Strategy you can right click on the link to learn more Certified Financial Planner in Los Angeles - Retire Confidently and Invest Smarter

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

Content: Rakhel Coles-Moore Editor: Terrilla Gee

RETIREMENT PROCESS & FAQS

Wayne County
Employees' Retirement System
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When and how do I apply for retirement?

You must meet both age and service requirements to apply for normal service retirement. Service retirement is not based on a point system. Review your collective bargaining agreement and retirement plan for eligibility requirements.

If you meet eligibility for retirement, you must contact the Wayne County Employees' Retirement System to obtain the required paperwork to file your application. You may file your application in person by scheduling an appointment or request application documents be sent to you via US Mail or personal email. The Wayne County Employees' Retirement System's (WCERS) office number is (313)-224-5890.

Keep in mind, applications will not be accepted less than 30 business days prior to the expected retirement date and no earlier than 90 business days in advance of the expected retirement date.

Can I retire on any day of the month?

Yes, however, we recommend the 1st of the month as your retirement date (e.g. May 1st). If you choose any day other than the 1st of the month, please note that your benefit effective date will be set for the 1st of the month following the actual retirement effective date (e.g. retired May 10th = Benefit effective June 1st).

Can I withdraw application or change my retirement date after it's submitted?

Yes, you can request to withdraw an application or change the retirement effective date. However, you must follow the established procedure to do so. Verbal requests will not be accepted and requests submitted in a manner inconsistent with established procedures may result in a denial of your request.

Process to Withdraw a Retirement Application or Change the Retirement Effective Date

You must adhere to the following guidelines because failure to do so, may result in your request being denied and your original application being processed without interruption. All requests to withdraw an application or change the effective retirement date must be done no later than **10 business days prior to the effective date of the retirement.**

A) If at the time of your request, your application hasn't yet been approved by the Retirement Commission, you must:

* Submit a written request to the Retirement System a minimum of 10 business days prior to your retirement effective date.

B) If at the time of your request, your application has been approved by the Retirement Commission, you must:

* Submit a written request to all the following individuals:
  1.) Your Department Head,
  2.) Donna Wilson, Director of P/HR
  3.) Felicia Hollis, Department Manager- Retirement
  4.) Gerard Grysko, Deputy Director, Retirement

* Both your Department Head and the Director of P/HR must submit written communication to the Retirement Department Manager, Executive Director and Deputy Director supporting your request to cancel your application or change the retirement date.

* If letters of support are not received and approval is not granted by the retirement commission, your request will be denied, and your retirement will be processed without interruption.

Understanding your voluntary after-tax 401(a) contributions vs. Roth 457 contributions

What's the difference?

How do you know which one might be right for you? This comparison chart highlights the differences between the two Plans.

Plan type	401(a) (Wayne County Defined Contribution Plan)	457 (Wayne County Deferred Compensation Plan)
Available voluntary contribution type	Voluntary after tax	• Pretax • After tax (Roth)
Contribution limits	Voluntary after-tax contributions of up to 7.5% of your pay	Up to 100% of eligible pay. Maximum combined (pretax and Roth) contribution limits: The IRS limit for 2025 is $23,500. If you will be age 50 or older in 2025, the limit is $31,000, unless you will turn age 60, 61, 62, or 63 in 2025, in which case, your limit for 2025 is $34,750.
Taxes on distributions	Taxes paid on earnings upon distribution	• Pretax contributions and earnings are fully taxable • Qualified Roth withdrawals are federal income tax-free*

Take advantage of the Roth feature in your 457 Plan

Contact your dedicated retirement counselor, Kandie Anglin, to enroll or review your current status.

You can contact Kandie at **248-840-0655** or **kandie.anglin@empower.com** to learn more. You can also go to **empower.com/waynecounty** to learn more about the features and benefits of your Plans, access your account, or schedule an appointment with Kandie.

* Roth 457 earnings may be withdrawn tax free provided that your Roth 457 account has been in existence for at least five taxable years and you are at least age 59½ at the time you withdraw the money (or the withdrawal is because of death or total disability). Earnings on Roth contributions will be taxed unless withdrawals are a qualified distribution as defined by the IRS.

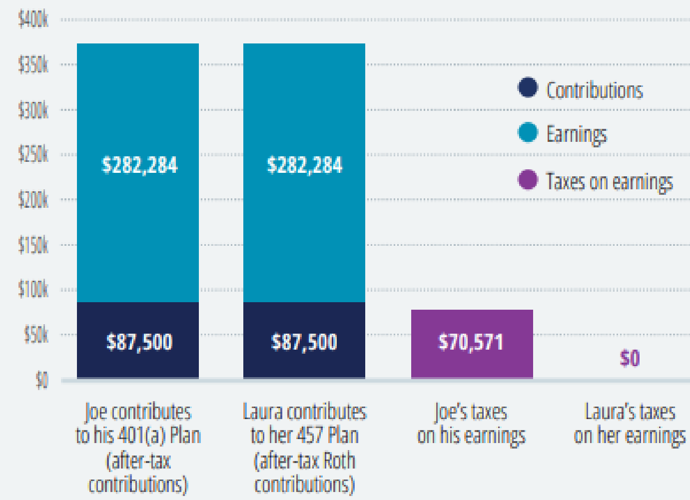
How distributions are taxed: 401(a) after-tax contributions vs. 457 Roth contributions

Joe and Laura each contribute $2,500 every year for 35 years beginning at age 30 (assume 7% growth rate).

By age 65, Joe and Laura have contributed $87,500 to their Plans, ending up with a balance of $369,784 each.

Assumptions

- Sample individual age 30
- Retirement at age 65
- After-tax contributions of $2,500 annually into 401(a) Plan and Roth 457 Plan
- Lump-sum benefit distribution at retirement
- 25% individual tax rate



The compounding concept is hypothetical, for illustration purposes only, and not intended to represent performance of any specific investment, which may fluctuate and is not a guarantee of future results. This example is based on a hypothetical rate of return of 7% compounded annually. Illustration does not reflect fees, which could change the outcomes provided. Generally, withdrawals are taxable at ordinary rates.
It is possible to lose money by investing in securities.

The bottom line: If you use the 401(a) voluntary after-tax contribution feature, your earnings are taxable upon distribution. With the 457 Roth feature (where withdrawals are qualified), you have no federal tax obligation on your distributions.

Questions?

For more information on your Wayne County Retirement Plans, go to **empower.com/waynecounty** to access your Plan's educational website. There, you can also schedule an appointment with your Plan's dedicated retirement counselor, Kandie Anglin.

You can also contact Kandie for assistance at **kandie.anglin@empower.com** or **248-840-0655**.

TOP 10 WAYS TO PREPARE FOR RETIREMENT

Wayne County
Employees' Retirement System
Robert J. Grden, Executive Director

A happy, secure retirement starts with thoughtful planning. Retirement is a milestone we all look forward to, but achieving financial security during those golden years requires more than just saving a little here and there. It takes thoughtful planning, dedication, and strategic action. In this article, we'll explore the top 10 ways to prepare for retirement, ensuring that when the time comes, you're not just ready—you're thriving.

1. Start saving, keep saving, and stick to your goals: Make saving for retirement a priority. Devise a plan, stick to it, and set goals. Remember, it's never too early or too late to start saving
2. Know your retirement needs: Retirement is expensive. Experts estimate that you will need 70 to 90 percent of your preretirement income to maintain your standard of living when you stop working. Take charge of your financial future.
3. Contribute to your voluntary (DC) Defined Contribution or 457 plan and contribute all you can.
4. Learn about your Defined Benefit plan: Wayne County has mandatory and voluntary plans to help you save money for retirement. Ask about your individual benefit statement to see what your benefit is worth.
5. Consider basic investment principles: Your investment mix may change over time depending on a number of factors such as your age, goals, and financial circumstances. Financial security and knowledge go hand in hand.
6. Don't touch your retirement savings: If you withdraw your retirement savings now, you'll lose principal and interest and you may lose tax benefits or have to pay withdrawal penalties. If you change jobs, leave your savings invested in your current retirement plan, or roll them over to an IRA or your new employer's plan.
7. Put money into an Individual Retirement Account: IRAs can provide an easy way to save. You can set it up so that an amount is automatically deducted from your checking or savings account and deposited in the IRA.
8. Find out about your Social Security Benefits: The amount of your wages that Social Security retirement benefits replace varies depending on your earnings and the age you choose to start receiving benefits. You may be able to estimate your benefit by using the retirement estimator on the Social Security Administration's website. For more information, visit their website at: www.ssa.gov or call 1-800-772-1213.
9. Ask Questions: Talk to your employer, your bank, your union, or a financial adviser. Ask questions and make sure you understand the answers. Get practical advice and act now.
10. As your income grows, make it a habit to save more, ensuring financial security and future stability. Simply put, when you earn more money, save more money.

Preparing for retirement is a journey that requires consistent effort, but the rewards are well worth it. By following these top 10 strategies, you can build the financial security and peace of mind needed to enjoy your retirement years without worry. Remember, it's never too early to start, and every step you take today brings you closer to a comfortable, fulfilling future. Start planning now, and your retirement will be all the more rewarding.

CLICK THE LINK FOR MORE INFORMATION: Top 10 Ways to Prepare for Retirement

Keep Your Beneficiary Information Updated!

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At the start of your employment with Wayne County, you had the opportunity to designate a beneficiary for your retirement funds. It's a good idea to check if you remember who you listed. Life events such as marriage, divorce, the arrival of children, or the passing of a loved one may have occurred since then, and it's important to ensure your beneficiary information reflects your current situation.

To update or verify your beneficiary, please follow these steps:

- If you are a Plan 5 member eligible for a pension (Defined Benefit), we invite you to contact our office. We're here to assist you with the necessary updates.
- If you are a Plan 4 member or have a voluntary 401a or 457b contribution, you can easily visit the Empower website, log in, and access your information to update your beneficiaries online.

Upcoming Empower Webinar:

February 5, 2025

Learning How to Boost Your Savings

Click Link to register: https://events.teams.microsoft.com/event/ec11d852-2c37-4c6c-9303-92b17ffd6097@d344fc8a-8286-4945-9a21-49aed506d485

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	***Monday, February 10*** **Monday, February 24**	**Monday, March 31**	**Friday, April 25**	***Friday, May 9*** **Tuesday, May 27**	**Monday, June 30**
Monday, July 28	***Friday, August 8*** **Monday, August 25**	**Monday, September 29**	**Monday, October 27**	***Friday, November 14*** **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