

Generational Views on Retirement

The National Institute on Retirement Security conducted a survey of 1,203 individuals in July 2021 across four generations:

Millennials – age 25 to 43
Generation X – age 44 to 55
Baby Boomers – age 56 to 74
Silent Generation – age 75+

Different generations face distinct challenges when it comes to retirement. The **Silent Generation** had broad access to defined benefit pension plans but faces growing health and long-term care expenses in retirement. **Baby Boomers** are transitioning into or approaching retirement and a large share are expected to face financial hardship in retirement. **Generation X** was the first generation with 401(k)s as their primary retirement vehicle, and also face high expenses as the “sandwich generation.” **Millennials** face a deeply troubling retirement outlook stemming from factors like depressed wages, high college debt, and the lack of participation in employer retirement plans.

See Generational page 3

WRS by the Numbers

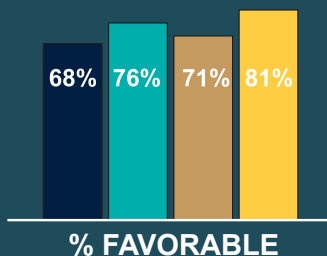
Value of the Fund

\$10,357,585,195

All data is as of June 30, 2021



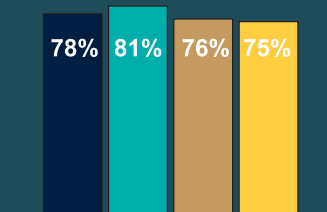
ALL GENERATIONS HAVE FAVORABLE VIEWS OF DEFINED BENEFIT PENSIONS



% FAVORABLE

Millennials hold the most favorable view.

Q: How would you describe your overall view of a defined benefit pension?



% AGREE

Across the board, all generations agree that those with a defined benefit pension are more likely to have a secure retirement.

Q: To what extent do you agree or disagree, Traditional defined benefit pensions are more likely than those without a defined benefit pension to have a secure retirement?

- SILENT GENERATION
- BABY BOOMERS
- GENERATION X
- MILLENNIALS

The complete report is at:
www.nirsonline.org/reports/generations

Your Pension has a Pre-Retirement Death Benefit

This death benefit can be a valuable supplement to other life insurance arrangements. In the Public Employee Plan¹, if a member dies before they have retired, WRS pays a death benefit equal to two times the member's accumulated employee contributions plus attributed interest. It starts small for a new employee, but a member with ten years of service and a typical account balance could have a death benefit that is material:

Typical 10 year account balance X 2 = death benefit

\$45,000 x 2 = \$90,000

WRS will pay the death benefit to the designated beneficiary on the account. If there is no designated beneficiary, then

See Death Benefit page 3

¹ Other plans for law enforcement and firefighting have provisions unique to their situations. Consult the appropriate plan handbook.

² Average balance for employees with 10 years of contributions

Education Corner

Do you have questions about your WRS benefits or retirement?


WRS conducts benefit presentations and provides individual retirement counseling sessions for active members and those considering retirement. WRS posts our Educators Travel Schedules regularly on our website. You can also make a reservation for virtual or on site sessions by contacting our educators at 307-777-3314.

Please visit the Education and Events page on the WRS website to view:

- Schedules including: locations, dates, and times (including virtual events)
- Registration details and deadlines
- Latest schedule updates

Reservations are on a first-come, first-serve basis, and must be made by contacting one of our Educators at 307-777-3314. After registering, you will receive a confirmation email with your scheduled date and time.

WRS Educators are also available to schedule group meetings (adhering to state and local COVID protocols).

Members who make individual appointments are not required to attend a group presentation. 




Rep. Henderson & Educator Stacy W.


Live Video Counseling Sessions

Don't want to wait for us to come to you? If you have a personal computer or tablet and an internet connection, you can schedule a virtual appointment at any time. Visit our YouTube Channel and watch any of our five recorded presentations:

- **Back to Basics Part 1**
The basics of Tier I & Tier II
- **Back to Basics Part 2**
The basics of the WRS 457(b) Plan or Deferred Compensation Plan
- **Back to Basics Part 3**
Social Security: Do You Know What To Ask For
- **Pension Benefit Payout Options**
Eight payout options available to WRS beneficiaries
- **Deferred Compensation 457 Plan Investment Menu**
Investment options available to WRS members

Our Educators will be happy to "see" you. 

WRS Welcomes New Legislative Liaison

Representative Bill Henderson (HD 41, Laramie County) is one of our four legislative liaisons. The others are **Senator Jeff Wasserburger** (S23, Campbell, Converse), **Senator Tara Nethercott** (S04, Laramie County) and **Representative Andy Schwartz** (H23, Teton County). Representative Henderson stopped by on Tuesday, October 7, 2021 to visit with the staff and see the WRS offices. 

Board of Directors

Representing the Community at Large

Tom Chapman, *Chair*
Michael Ceballos
Robert Leibrich
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Paul O'Brien
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Dr. Lesley Travers

Representing School District Employees

Kay Watson

Representing Retirees


Vicci Colgan

Wyoming State Treasurer

The Honorable Curt Meier



WRS Welcomes a New Educator

Sabra Fowler: Sabra started her training the first week of October. She will help educate members about the pension plan, 457(b) deferred compensation plan, and social security. 



Generational continued

The research finds that:

Millennials and Generation X are most concerned about the impacts of COVID-19 on their retirement. Across generations, most of those who are concerned about the impacts of the pandemic plan to delay their retirement.

There is generational agreement that the U.S. faces a retirement crisis, with Millennials and Generation X most pessimistic about retirement.


There is broad support across generations for Social Security, including support for increasing contributions and expanding benefits.

All generations have favorable views of defined benefit pensions, with Millennials holding the most favorable views. There is wide agreement generationally that pensions are better than 401(k) plans for providing retirement security, and that everyone should have a pension.

While every generation has unique circumstances, a WRS pension is a valuable asset helping every generation meet the challenge of retirement security. The Wyoming Retirement System Board believes that retirement security for public employees is a partnership between employees, employers, and WRS with three components:

Putting Your Retirement Together

Retirement preparation is a shared responsibility. WRS members and employers contribute to the **WRS Pension** throughout their careers. Most also contribute to **Social Security** and, in many cases, **personal retirement savings** such as the **WRS 457(b) Deferred Compensation Plan**.

The WRS Board believes a secure retirement is ideally composed of these three components to provide a steady retirement income over a long life span. 

Death Benefit continued

WRS pays the death benefit to the estate, and it may be subject to probate -- delaying the benefit to the survivors.

That's why it is important to designate a beneficiary when you begin WRS covered employment and keep it updated as your life changes until you retire.


This is different than the beneficiary designated by a retiree upon retirement. Retirees typically elect their "form of retirement" upon retirement and may accept a lower pension in return for different arrangements upon their death, based upon their age and the age of the designated beneficiary at the time of retirement. So for many retirees, the designation can't be changed once the retirement annuity begins.

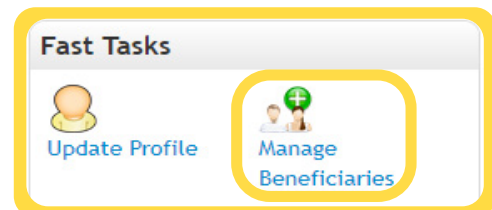
But for actively contributing employed members and members who have ended WRS covered employment but left their contributions on deposit, one can update the beneficiary as needed.

How to do it: look at your most recent participant account statement and see who you designated to receive your in-service death benefit. The easiest way is to use the online member portal at retirement.wyo.gov.

Log In to your pension. If your designation is obsolete or missing, you can add it through the Fast Tasks Menu under Manage Beneficiaries on the left-hand side.



Or contact WRS by phone at 307-777-7691. Attention to this matter isn't the most pleasant thing, but may make a difference to your loved ones if the unimaginable occurs. It's rare, but we see it every week. Last year we saw 43 employees and 44 former non-retired employees in the PE plan pass away for whom this designation became important. 



WRS Investments Beating Benchmarks Over 1, 3, 5, and 10 Years

The Wyoming Retirement System's total portfolio return was 27.3 percent for the trailing twelve months ending June 30, 2021. While high, the investment team notes that it followed the market lows of last year when the pandemic stalled economic activity. The total portfolio value was \$10.4 billion as of June 30th. 🦋



Annualized Performance % as of June 30, 2021

	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>7 Years</u>	<u>10 Years</u>
Total Fund	27.30	11.78	11.15	7.87	8.12
Strategic Benchmark	25.74	10.24	10.26	7.39	7.68
WRS Over/Under	1.56	1.54	0.89	0.48	0.44
Peer Rank ³	39	22	28	46	53

³ (Percentile, Lower is better) The peer set is public defined benefit pension plans with assets >\$1 billion.

Pumpkin Pie Recipe

DIRECTIONS

Step 1

Mix sugar, cinnamon, salt, ginger and cloves in small bowl. Beat eggs in large bowl. Stir in pumpkin and sugar-spice mixture. Gradually stir in evaporated milk.

Step 2

Pour into pie shell.

Step 3

Bake in preheated 425° F oven for 15 minutes. Reduce temperature to 350° F; bake for 40 minutes or until knife inserted near center comes out clean. Cool on wire rack for 2 hours. Serve or refrigerate.

INGREDIENTS

3/4 cup granulated sugar
 1 teaspoon ground cinnamon
 1/2 teaspoon salt
 1/2 teaspoon ground ginger
 1/4 teaspoon ground cloves
 2 large eggs
 1 can (15 ounces) 100% Pure Pumpkin
 1 can (12 fluid ounces) evaporated milk, (Or substitute with equal amount Lactose-Free or Almond Cooking Milk)
 1 unbaked 9-inch (4-cup volume) deep-dish pie shell