

Retirement Planning

A Benefit Guide for All Ages



Tuesday, January 8, 2019, 4:00 PM
Central Offices Board Room 100

Retirement Planning for All Ages

Today's Program

1. Tax-Sheltered/Deferred Annuities - 403(b), WI Deferred Compensation Program
2. Health Savings Accounts – Tax-Free Savings for Your Future
3. Elmbrook's Retirement Plan
4. Mid America - Retiree Premium-Only Health Reimbursement Arrangement
5. Retiree Insurance Plans Available Outside of Elmbrook
6. Wisconsin Retirement System/Employee Trust Funds - State Pension Program

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Tax Sheltered/Deferred Annuities

- ▶ TSA Coordinator Overview
- ▶ Election/Change Paperwork
- ▶ Vendors
- ▶ Employee Contributions – Payroll Deduction: Pre-Federal, State & FICA Tax
- ▶ Traditional vs. Roth (When Taxed)
- ▶ Withdrawals – Current Rules: No penalty at age 59.5, Required minimum based on IRS calculation at age 70.5

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HSA's – No Tax Retirement Savings

- ▶ Offered to employees with Health Insurance (Not coordinated with member's Medicare or other governmental insurance coverage)
- ▶ Employer/Employee Contributions/Interest not taxed when used for out-of-pocket medical, prescription, dental, vision expenses for lifetime
- ▶ Beneficiary Assignment
- ▶ HSA Annual Maximum for Retirement Savings
- ▶ Age 65+ Availability (No penalty, taxable for other personal use)
- ▶ No Use-It or Lose-It Rule (Expenses may be claimed at any future date)

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Elmbrook Retirement Plan

- ▶ OPEB – Other Post-Employment Benefits-Retirement Plan Provided by Elmbrook
- ▶ Based on Employment Group
 - Administrator
 - Teacher
 - Special Category-Leadership (Aligns with Teacher)
 - Special Category-Confidential (Aligns with Support Staff)
 - Support Staff
- ▶ Tier Determined-Age & Years of Service as of June 30, 2015 or upon new hire
- ▶ 50% Vesting Rules – Administrators & Teachers

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Retirement Eligibility and Benefits

- ▶ **Tier 1 – Medical Insurance -OR- Premium HRA Option**-Annual Post-Retirement Benefits
 - Retirement Eligibility: Age, 17 Years of Service
 - Teachers/Spec Cat-Lead -Thru 6/30/2020: Age 58, 17 Years of Service
 - Teachers/Spec Cat-Lead -7/1/2020+: Age 59, 17 Years of Service
 - Support Staff/Spec Cat-Conf-7/1/2018+: Age 59, 17 Years of Service

- ▶ **Tiers 2 & 3 – Retiree Premium-Only HRA**- Annual Service Contributions
 - Retirement Eligibility: Age 55
 - Annual “Service in Good Standing” Contributions – June 30th (MidAmerica Statements)
 - Teachers/Spec Cat-Lead: \$1,000 (*\$1,500 per year of seniority prior to 6/30/2015*)
 - Administrators: \$2,000 (*\$2,000 per year of seniority as an Administrator prior to 6/30/15*)
 - Support/Spec Cat-Conf: \$500 (*\$750 per year of seniority prior to 6/30/2015*)

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Tier 1 - Options

1. Medical Insurance for a maximum of 60 months, up to age 65

- a. Current Lowest Cost Plan in Place
- b. Includes District HSA Contributions*
- c. Current Monthly Cost to Member: \$173.14-Single or \$417.16-Family (25%)

*Medical HRA provided if retiree is enrolled in Medicare or Other Governmental Insurance

2. Retiree Premium-Only Health Reimbursement Arrangement

- a. District's Current Monthly Contribution (75%): \$519.38-Single or \$1,251.50-Family
- b. Current Annual Contribution on June 30th: \$6,232.56-Single or
 - Teachers/Sp Cat-Lead: \$15,018-Family through 6/30/2020; As of 7/1/20: \$12,000-S/F
 - Support Staff/Sp Cat-Conf: \$12,000-Single or Family, As of 7/1/2018

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MidAmerica OPEB Premium-Only HRA

- ▶ OPEB – Other Post-Employment Benefits-Retirement
- ▶ Health Reimbursement Arrangement Overview
- ▶ Interest Earned
- ▶ Premiums Covered
- ▶ Reimbursement Process
- ▶ Associated Costs

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Retiree Insurance Availability Outside of Elmbrook

- ▶ Medical Insurance – Affordable Care Act Marketplace Opportunities
- ▶ Bridge to Medicare Coverage
- ▶ Medicare Coordinated Medical & Prescription Insurance
- ▶ Premium Coordination with OPEB-HRA
- ▶ Other Insurance (Vision, Dental, Long Term Care)

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WI Retirement System-Employee Trust Funds

- ▶ Overview
- ▶ Employer/Employee Contributions
(2019: 13.1% Gross Income: Employee 6.55%, Employer Match 6.55%)
- ▶ Qualifying/Vesting
- ▶ Annual Statements delivered in Spring via Interoffice Mail
- ▶ Website Resources/Scheduled Meetings
- ▶ Learning Opportunities: Additional Contributions, Variable Fund, Naming Beneficiaries, Benefit Calculators, Investment Data & More
- ▶ Retirement Estimates/Notification of Retirement

Website: www.etf.wi.gov, 1.877.533.5020, 7AM-5PM

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Thoughts of Retirement in 2018-19?

- ▶ Elmbrook Notification Deadline: February 1, 2019
Notify: Pamela Casey, Director of Human Resources (interoffice mail or email: caseyp@elmbrookschoools.org)
- ▶ Contact WRS-ETF for Retirement Estimate Packet
- ▶ Complete WRS Retirement Request Form within 90 days of retirement date
- ▶ You will receive an Elmbrook benefit retirement packet and invitation to a Retirement Meeting scheduled in late April/early May.
- ▶ Contact Lori Golomski (golomskL@elmbrookschoools.org) to set-up a retirement review meeting to discussion your specific benefits and questions

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QUESTIONS?

To talk with Financial Partners,
join us for the District Wide

Financial Wellness Fair

Monday, February 25, 2019

3:30-5:30 PM