ARIZONA STATE RETIREMENT SYSTEM

Your investment.
Your future.
Secure for your lifetime.

Welcome

Welcome to the Arizona State Retirement System! We are a top performing pension system with the goal of providing members a lifetime monthly benefit in retirement. Please explore the following pages to learn more about who we are and what it means to be a member of the ASRS.

It's important to take a moment and complete your registration with the ASRS, if you haven't already. This keeps your account secure, and allows online access to your account where you can estimate retirement benefits, keep your contact information up-to-date, and register for educational webinars.

Note: if you are already an ASRS member but are now working for a new ASRS employer, you still need to complete the registration process again, using you new employer's enrollment code.

Registering is quick and easy:

Step 1: Scan the QR code or visit: **secure.azasrs.gov/web/EnrollmentLogin.do** and click on the green "**Sign in with ID.me**" button.

Step 2: Continue the identity verification process with ID.me, after which you will be routed back to the ASRS secure portal

Step 3: Follow the system prompts and use the enrollment code provided by your employer to complete your secure myASRS account access.

Employer Name:	Enrollment Code:
Washington Elem. School District	1UZ00023

About the ASRS

The ASRS is a trusted, sustainable, and well-managed retirement system that provides long term disability, retiree health insurance, and lifetime pension benefits to educators and municipal/state government employees who have dedicated their career to serving the citizens of Arizona.

Mission

To provide **highly desirable** and **sustainable** retirement benefits to our members that support the **recruitment** and **retention** of high-quality employees for our employer partners.

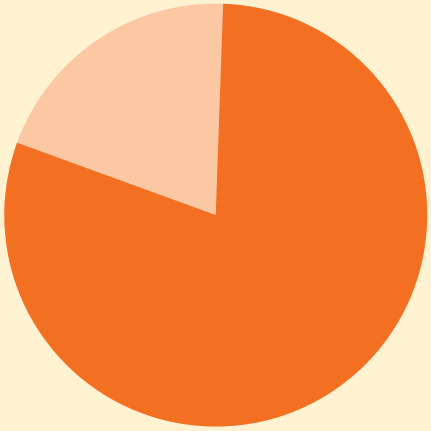
Vision

To be a top-performing retirement plan, leading the nation in **customer service**, **investment performance**, and **organizational effectiveness**.

Retirement Income

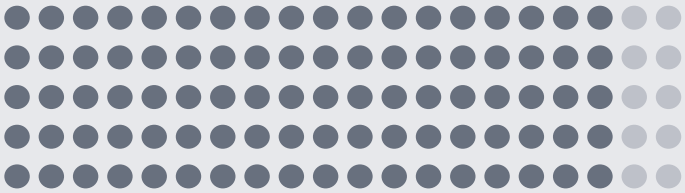
80% of their pre-retirement wages:

Between their ASRS pension & Social Security benefit, the average retiree with at least 20 years of service will receive in pension benefits after they retire.



Benefit Satisfaction

- **90% of retirees** expressed confidence that their lifetime guaranteed pension benefit is safe with the ASRS.
- **More than 90%** of disabled members are satisfied with the Long Term Disability plan administered by the ASRS.
- **90% of retirees** are satisfied with their ASRS health insurance plan.



210,000+

The number of active, contributing members fluctuates each year, but in the last couple of fiscal years, we've been well above 210,000.

The Value of Your Membership



A Pension for Your Lifetime

With the ASRS, your monthly pension payments will last for your lifetime.



A Pension that is Secure

Your pension is not impacted by stock market volatility. Your contributions are matched by your employer.



Retiree Medical and Dental Plans

Competitively priced retiree medical and dental insurance plans.



Retiree Medical and Dental Plan Subsidies

Medical and dental subsidies provided based on years of service.



Long Term Disability Insurance

Cost-effective group long term disability coverage is paid 50% by your employer.



A Pension with Options for Your Beneficiary

Your beneficiary can receive up to 100% of your adjusted monthly pension.



Survivor Benefits

Survivor benefits are payable upon your death whether you are an active, inactive, or retired member.



Flexibility

If you leave your ASRS employer, you have the choice to withdraw your contributions immediately or in the future, roll over your contributions to another retirement plan, or take a future pension.



Additional Tax-Advantaged Savings Plans

You have the opportunity to participate in additional tax-advantaged savings plans which have professional oversight and low costs.



Social Security Coverage

Most employees also obtain full social security coverage.

Member Benefits

Here are a few of the primary benefits available to ASRS members. Visit the Member Education section of our website to learn more about service purchase, refunding your account, managing beneficiaries, and more.

Lifetime Pension Benefit



Once you retire and start receiving your pension benefit, that benefit is guaranteed for life. It doesn't matter what your account balance is when you retire - most ASRS retirees receive much more in pension benefits than they ever paid in contributions over their career. Your ASRS pension is protected by the Arizona constitution from ever being "diminished or impaired."

Learn more at:
AzASRS.gov/content/retirement-annuity-options

Long Term Disability



Part of your contributions each pay period fund the ASRS long term disability program, which provides a monthly benefit to partially replace a member's income should they become unable to work due to illness or injury.

Learn more at:
AzASRS.gov/content/long-term-disability

Retiree Health Insurance



The ASRS offers a variety of health insurance plans to both Medicare and non-Medicare eligible retirees at competitive rates. This includes medical, dental, vision, and prescription drug benefits. Additionally, if you have more than five years of service when you retire, you may be eligible for a premium benefit supplement that helps offset the costs of healthcare.

Plans and rates can vary form year-to-year. Visit the "Healthcare" page of the Retiree section at AzASRS.gov to view current retiree healthcare options.

Learn more at:
AzASRS.gov/content/health-care

Survivor Benefits



Survivor benefits are benefits that are passed on to your beneficiary in the event of your death. There are pre-retirement survivor benefits, and post-retirement survivor benefits.

Pre-Retirement: Should you die prior to being eligible for retirement, your beneficiary will receive a benefit equal to double your contributions, including accrued interest.

Post-Retirement: Survivor benefits after you retire can depend on the annuity option you choose when you retire. Learn more about annuity options on our "Retirement Annuity Options" page at AzASRS.gov.

(To view or update your current beneficiaries, log into your secure myASRS account.)

Learn more at:
AzASRS.gov/content/survivor-benefits

Member Contributions

Member and employer contributions is how the ASRS funds all the benefits we offer our members. These benefits include lifetime pension benefits for retirees, long term disability, survivor benefits, and more. Contributions are mandatory for all members, except for those who file a 65+ waiver, or don't meet the 20/20 membership criteria. (See the FAQ's on page 6 for more information on both.)

The total contribution rate is actually comprised of two parts: the "Pension and Health Insurance Benefit" rate, which is a pre-tax paycheck deduction, and the "Long Term Disability Income Plan" rate, which is a post-tax paycheck deduction. Combined, these two parts make up your Total Contribution Rate. This contribution rate can potentially change at the beginning of each fiscal year, but typically only by fractions of a percent. Wondering what the current contribution rates are? Visit the link below!

View current contribution rates at AzASRS.gov >>

The Fiscal Year, How Rates Are Determined, & How Often They Change

The fiscal year for the ASRS is from July 1 to the following June 30. Each July 1, the new contribution rate takes effect. This rate could increase, decrease, or stay the same from the previous fiscal year. Based on current projections, we're optimistic that contribution rates will remain stable for the foreseeable future.

Why do contribution rates fluctuate?

In simple terms, to keep our pension system healthy. Contribution rates are determined each year through an actuarial evaluation conducted by an external actuary. In addition to the yearly evaluation, every four to five years a deeper analysis in performed, called an "experience study." These studies evaluate our current assumptions - everything from investment performance to current average lifespan - whether or not those assumptions need to be adjusted going forward, and what effect those adjustments are projected to have over the next 30 years.

While these experience studies don't outline exactly what future contribution rates will be, it does serve as an important piece of the puzzle that we use to determine a path forward, with the goal of continuing to be a healthy, properly funded retirement system.

What is the long-term vision for contribution rates?

Our primary goal related to contribution rates is a steady overall decline for the foreseeable future, keeping the ASRS on a path to a single-digit contribution rate.

How It Works



Retirement Plans: A Comparison

How does an ASRS pension compare to a retirement savings account such as a 401(k)? In technical terms, your ASRS pension plan is a 401(a) Defined Benefit plan, while a 401(k) is classified as a Defined Contribution plan. There are many differences between the two, as outlined on the table below.

One important note: whether it's a 401(k) or some other style of retirement savings plan, the ASRS heavily advocates members have both! While your ASRS pension is guaranteed for life, there are no provisions for automatic increases, such as a cost-of-living increase. Your pension is designed to be one piece of your retirement finances, with personal savings and Social Security completing your retirement finances and helping to offset future rising costs. For more information, visit our **Supplement Your Retirement** web page at **AzASRS.gov/content/supplement-your-retirement.**

	Your ASRS Pension A 401(a) Defined Benefit Plan	**Other Retirement Savings** Defined Contribution Plans *[e.g., 401(k), 457(b), IRA]*
Participation	**Mandatory** *For all employees of ASRS employers who meet membership criteria.*	**Optional** *Encouraged as a supplemental source of income in retirement.*
Contribution Amounts	**ASRS Determines** *The ASRS sets a mandatory contribution rate for members each fiscal year.*	**Employee Chooses** *The employee decides how much they wish to contribute.*
Employer Contributions	**Mandatory** *All ASRS employers pay contributions on behalf of their ASRS member employees.*	**Optional** *Some employers match an employee's contributions, up to a certain amount.*
Investment Management	**ASRS Managed** *Employee and employer contributions are pooled together, invested, and managed by the ASRS investment team.*	**Employee Managed** *Employee decides how the funds are managed.*
Retirement Benefit Amount	**Based on ASRS Formula** *Pension benefits are calculated using number of service years, average final salary, and a graded multiplier, not determined by employee account balance.*	**Based on Account Balance** *The benefit amount varies based solely on the performance of the selected investments.*
Retirement Benefit Length	**Lifetime Benefit** *Once eligible and you retire, your pension benefit is guaranteed for life, and will never be reduced.*	**Based on Account Balance** *Employee must manage withdrawal amounts to ensure the funds last as long as they are needed.*
Loans or Withdrawal	**Not Permitted** *Loans or withdrawals are not permitted from an active member's account due to IRS regulations.*	**Permitted** *Loans or withdrawals are typically permitted, and subject to an IRS penalty if prior to 59 1/2 years old.*

Frequently Asked Questions

Q: Is participation in the ASRS mandatory?

A: Yes; membership in the ASRS is mandatory if you work for employers who are part of the ASRS and meet membership criteria.

A couple of exceptions:

- **65+ Waiver.** If you're new to the ASRS and are 65 or older on your first day of employment, you can waive ASRS membership. **Please note: this is irrevocable, and your waiver must be completed and provided to the ASRS within 30 days of the start of your employment.**
- **The 20/20 membership criteria.** If you're hired to work less than 20 hours a week for less than 20 weeks in a fiscal year, you may be exempt from contributions. In addition, If you've previously retired with the ASRS, are returning to work for an ASRS employer, and wish to continue receiving your pension benefit while employed, you'll need to work less than the 20/20 membership criteria.
- **Check with your employer!** While contributions are required for the vast majority of members, there are a few other exceptions. Your employer has tools to help determine your contribution status.

Q: How much do I contribute? Do I get to choose?

A: All contributing members contribute the same percentage. View page 5 for a detailed look at the current contribution rate, how often it changes, and how it's determined.

Q: Do I have to do anything to enroll?

A: Contributions will be automatically deducted from your paychecks, but you do need to complete the registration process as outlined on page 1 to make sure your account is fully and correctly associated with you.

Q: Is my ASRS account like a 401(K)?

A: No - there are some pretty big differences between your ASRS plan and a 401(k), which is what most people think of when they think of a "retirement plan." Your ASRS pension benefit isn't based on your account balance and never "runs out." In fact, most ASRS retirees end up receiving more in pension benefits over the course of their retirement than they ever paid in contributions throughout their career.

This isn't to say a 401(k) is a bad thing - we highly advocate for our members to have some form of personal savings outside of their pension benefit to help complete their retirement income.

For a closer look at how your pension benefit and a 401(k) compare, view page 6.

Q: How do I view my ASRS account info?

A: Visit **AzASRS.gov** and click on the myASRS link in the top right. Within your myASRS account you can update contact information, estimate future retirement benefits, or send our experienced retirement specialists a secure message if you have questions regarding your account.

Frequently Asked Questions

Q: Will I ever get a cost-of-living adjustment after I retire?

A: No. While the ASRS provides a guaranteed benefit for life that can never be reduced, our plan was not designed to provide cost-of-living increases for retirees throughout their retirement.

Your future pension benefit from the ASRS is designed to be just one part of your retirement income, with Social Security and personal savings making up the rest.

Q: What are "annuity options"?

A: Annuity options are the different ways in which you can decide to receive your pension benefit once you're able to retire. The ASRS offers a few different annuity types.

Some members prefer to take a higher monthly pension benefit, other members wish to take a reduced monthly pension that also leaves a beneficiary with a monthly benefit for the rest of their life once the retiree passes away.

Read more at our Annuity Options page of AzASRS.gov, or logged into your myASRS account to generate personalized estimates.

Q: How is my future pension calculated?

A: ASRS retiree pensions are calculated based on years of service, the retiree's average monthly compensation, and a graded multiplier. For a more detailed look, visit the Estimate Your Benefits page of the **Member** section at **AzASRS.gov**.

For a personalized pension benefit estimate, you can log into your secure myASRS account at **AzASRS.gov** and select the *Retirement* option under the **Your Benefit Estimates** section from the left-hand menu. There, you can see what your projected normal retirement benefit may look like, or play with variables such as early retirement, higher or lower average monthly compensation, and varying annuity types.

Q: Is my future retirement safe? Can my pension ever be reduced?

A: Your future benefits are absolutely safe, and protected by the Arizona Constitution. They're guaranteed for the duration of your life, and will never be reduced.

Q: Can I take a loan from my ASRS account?

A: No - the IRS does not allow for members to borrow from their ASRS account.