

Financial Literacy Event Handout

Tips To Start Saving For Retirement

EVENT KEY NOTES

✓ Where Do I Begin?

- Review your plan highlights.
 1. What are your contribution limits?
 2. How do employer contributions work?
 3. What is my employer match?
 4. What are the eligibility requirements?
 5. When can funds be withdrawn?
 6. What is vesting?
 7. Who directs investments within your plan?

✓ Contribute to Your 401(k)

- **Traditional 401(k)**
 1. Contributions reduce taxable income.
 2. The funds grow tax-deferred.
 3. Pay taxes on the contributions and growth when you take a distribution.
- **ROTH 401(k)**
 1. ROTH contributions are made to be retirement plan and invested in the same manner as traditional 401(k) contributions.
 2. ROTH contributions are made with after-tax dollars.
 3. Distributions of ROTH 401(k) dollars are tax free at retirement.
 4. Gains received over your working years are never taxed.

✓ Investments and Volatility

- Pension
- Trust
- Interest and Dividends
- Social Security

✓ Retirement Calculators

Go Retire has several financial calculators to help you with your saving and retirement strategy. Go to: www.go-retire.com

1. Quick 401(k) Savings Calculator-
<https://www.epicrps.com/GoRetireCalculators/Retire401k/index.html>
2. 401(k) Contribution Accelerator -
<https://www.epicrps.com/GoRetireCalculators/AccelPayrollSavings/index.html>
3. How Long will my Retirement last? –
4. <https://www.epicrps.com/GoRetireCalculators/RetirementDistribution/index.html>
5. ROTH Analyzer-
<https://www.epicrps.com/GoRetireCalculators/Compare401k2/index.html>
6. Health Savings Account (HSA) Contribution Calculator-
<https://www.epicrps.com/GoRetireCalculators/HSAContribution/index.html>
7. Social Security Benefits -
<https://www.epicrps.com/GoRetireCalculators/SocialSecurity/index.html>

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✓ **Future Goals**

- Determine when you plan to retire.
- Save 15% of your household income.
- Create an emergency fund (6 months of your salary).
- Pay off debt.
- Increase your contributions 1% annually or when you get a salary increase.
- Put enough money in your plan to receive your match.
- Review your beneficiaries periodically and make sure the information is up to date.

✓ **The Most Important Resource...TIME**

- Remember you do have the ability to work longer.
- You have the ability to cut expenses.
- You have the ability to affect your income (education, promotions, etc).
- Your highest earning years are likely still to come.

✓ **Keys to Success**

1. Understand your plan.
2. Confirm your beneficiary designations.
3. Know where your money goes.
4. Consider your goals and risks.
5. Don't wait to start saving!