

Giving Your Employees A Bright Financial Future

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Today We'll Discuss...

- Why Savings Plus is important for you and your employees retirement future
- How the Savings Plus Program works
- Resources from Savings Plus
- Next Steps



Your Retirement: A 3-Legged Stool

- CalPERS
- Social Security
- Personal Savings



Why Is Savings Plus Important?

23.1

- Average number of years service credit for a State Miscellaneous worker

\$2,918

- Average monthly retirement benefit for State Miscellaneous worker

60

- Average retirement age for all CalPERS members

82.3/85.3

- Average life expectancy at age 55 for CalPERS members (men/women)

Source: CalPERS December 2014 Facts At A Glance and CalPERS 2014 Experience Study

How They Can Afford to Start Saving Now...

Contribution	Tax Rate	Reduction in Net*
\$100	20%	-\$80
\$100	25%	-\$75
\$100	30%	-\$70

*Example illustrates the concept of a before-tax contribution. After-tax options are also available.

...And Why They Can't Afford To Wait



*Assumes a 7% average annual rate of return,
compounded monthly*

How Your 401(k) Plan Works

Contributions

- Normal 2015 Limit is \$18,000
- Age based catch-up is \$6,000

Investments

- Default Investment: Target Date Funds
- Many Flexible choices

Distributions

- Early withdrawal penalties prior to 59.5
- No Penalty if 55 and separated*
- Many Flexible Options

*Possible exceptions apply to Roth balances

How Your 457(b) Plan Works

Contributions

- Normal 2015 Limit is \$18,000
- Age based catch-up is \$6,000
- Traditional Catch-up is \$18,000

Investments

- Default Investment: Target Date Funds
- Many Flexible choices

Distributions

- Not subject to early withdrawal penalties*
- Must be separated to take distributions

*Possible exceptions apply to Roth balances

Two Contribution Types

Before Tax	Roth
Contributions are made before taxes are taken out of your paycheck.	Contributions are made after taxes are taken out of your paycheck.
Distributions are taxable in the year the distribution is made	Qualifying distributions are tax free <ul style="list-style-type: none"> - Must be at least 59.5 and first contribution must be at least 5 years old - Non-qualifying distributions are subject to penalties and taxes
May prefer if you need the tax break today*	May prefer if you need the tax break in retirement*

*Please attend our Roth workshop to learn more!

Your Default Investment* – Target Date Funds

- A simple approach to investing with two distinct features:

1 Diversified portfolio	2 Based on a withdrawal age
Lifelong diversified investment strategy managed by professionals Automatically provides an investment mix that includes the 7 major asset categories so you don't need to choose, manage, and adjust	Target date = date you plan to start withdrawing your assets Your investment mix automatically adjusts as you get closer to your target date

*The default year is the one closest to your 62nd birthday

We're Here To Make It Easy...

Workshops / Webinars

Consultants Readily Available

Employee Onboarding Kits

Your Partnership Kit

- Letter
- HR Resource Order Form
- FAQ's
- Enrollment Form



The Employee Onboarding Kit

- Calculator
- Plan highlights
- Enrollment / Increase restart
- FAQ's

Provided at no cost to you or your department. Simply complete the HR Resource Order Form and send to Savings Plus!



What Your Peers Are Saying about Savings Plus...

“Your presentations are always well received and provide the employees an opportunity to hear how important planning for their retirement is and you present the information very well.”

– Susan Wilhelm, EDD

“As one of the largest dept. we strive to offer information on programs that we feel are quality & provide a huge impact in the lives of all CDCR employees. CDCR enlightens employees active or retired, that you can benefit from the Saving Plus Program.”

– Rita Washington, CDCR

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Questions?

