

Become a Retirement Plan Millionaire

Strategies to Boost
Your Retirement
Savings





How to Boost Your Retirement Savings

Use a combination of key strategies to put you on the path to becoming a Retirement Plan Millionaire

- Start early!
- Get your full employer match
- Contribute as much as you can
- Review your investments
- Money in your retirement plan is for retirement only
- Do your homework!



Start Saving Early

- Take full advantage of compounding.
- Let your money work for you!
- The earlier you start, the less you have to worry about catching up in the future.

Tips and Tricks:

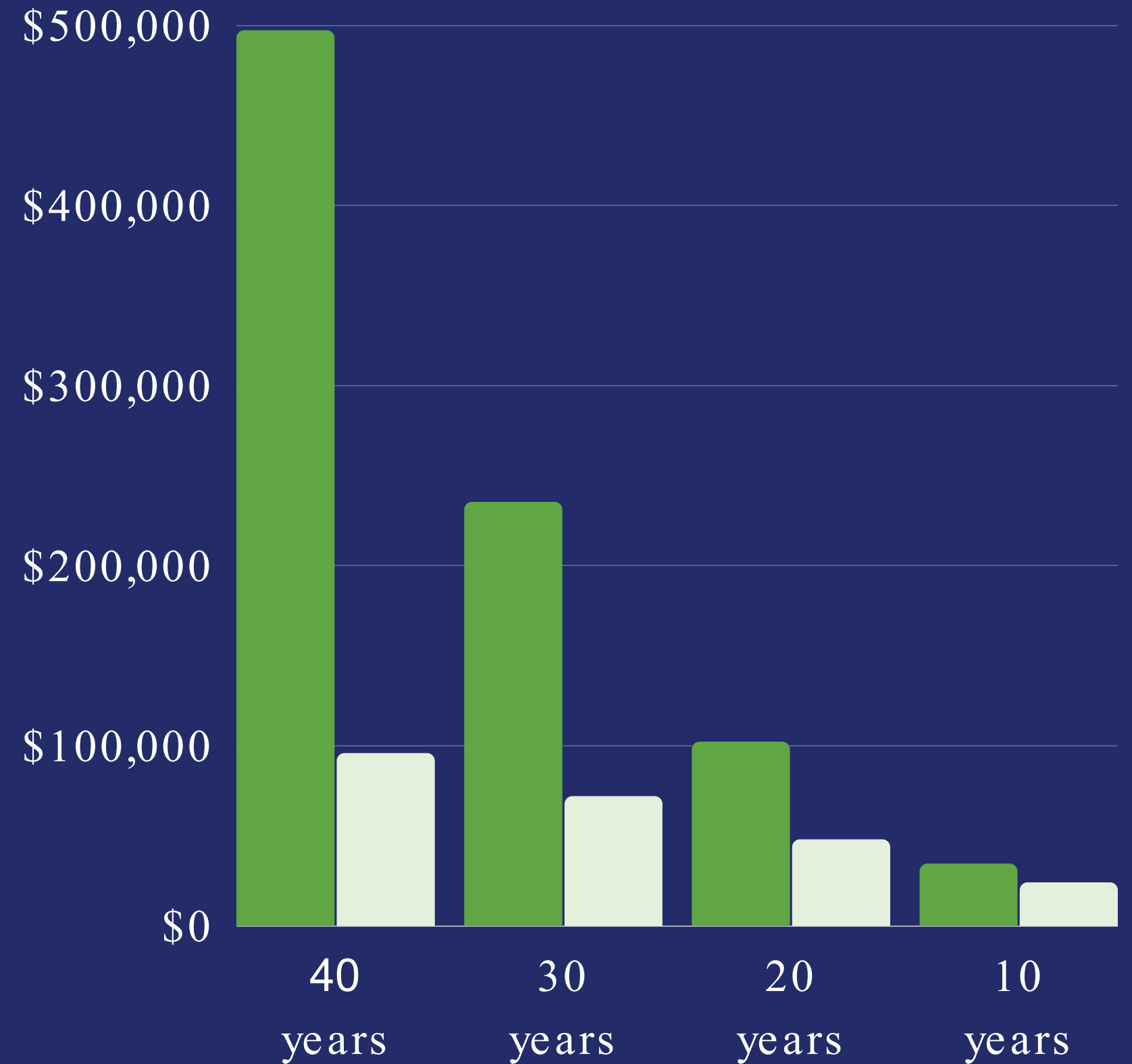
- Enroll in your plan as soon as you're eligible.
- A small contribution is better than none.
- Starting early is better than not at all.
- Not immediately eligible? Start setting aside the amount now you plan to defer.



Start Saving Early

Start saving \$200 a month for ____ years	Your ending account balance might be worth....
40	\$497,103
30	\$235,213
20	\$102,081
10	\$34,404

To reach a \$500,000 account balance with only 15 years until retirement, you'd need to save \$1,600 a month!

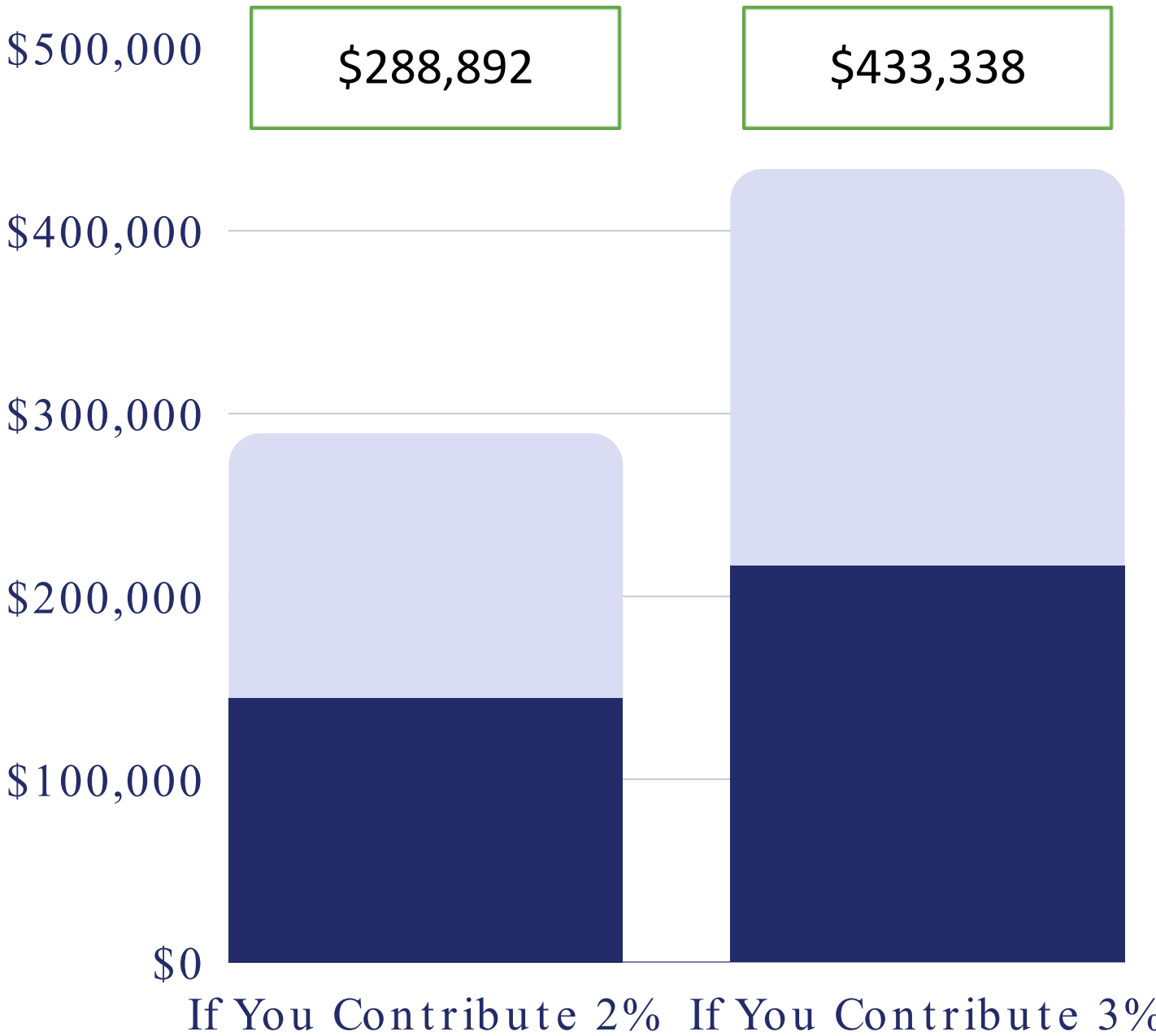


All examples are hypothetical and for illustrations purposes only. These calculations were done using the 401(k) Calculator, located in the Financial Calculators Section of u.bpas.com. Assumptions: \$2,400 annual contribution with an annual rate of return of 7%.

If your employer matches 100% of the first 3% you contribute...

Get Your Full Employer Match

Take full advantage of your company's employer match and watch your balance grow



● Your contributions may accumulate to

● Your employer matching contributions may accumulate to



All examples are hypothetical and for illustrations purposes only. The bar chart calculations were done using the 401(k) Calculator, located in the Financial Calculators Section at u.bpas.com. Assumptions: 35 year old employee with an annual salary of \$60,000 and a 2% annual increase. Current account balance of \$0, with account balance projections at age 65 (30 years investing). Assumes an annual rate of return of 7%. The payroll deduction contribution was completed using the Retirement Contribution Effects on Your Paycheck Calculator, located in the Financial Calculators Section at u.bpas.com and assumes a pre-tax contribution and a 25% federal tax bracket.

Contribute as Much as You Can

Financial experts recommend saving 10% - 15% of your pay to meet your retirement needs.

You can contribute up to \$22,500 in 2023.

Plus, an additional \$7,500 if you are 50 or over.



Tips and Tricks:

- Can't contribute 10-15%? Increase by 1% each year until you get to your goal.
- Did you receive a raise? Contribute part of it to your account.
- Do you always get a tax refund? Review your deductions: instead of letting the IRS hold your money for a large tax return, contribute a little more to your retirement plan instead.

Contribute as Much as You Can

Adding 1% a year to your contribution might not impact your pay much, but it can make a significant difference in your final account balance at retirement.



- 6% contribution rate
- 6% contribution rate increasing to 15%

Employee contributions only



All examples are hypothetical and for illustrations purposes only. This calculation was done using the Retirement Account Contribution Accelerator Calculator, located in the Financial Calculators Section at u.bpas.com. Assumptions: 30 year old employee with an annual salary of \$60,000 and a 2% annual increase. Current contribution of 6% and account balance of \$0. Contribution accelerator includes a 1% annual increase until savings rate reaches 15%, then remains at that rate until age 65. Assumes an annual rate of return of 7%.

Review Your Investments

- Investing too conservatively in your early career years can stunt your account's growth.
- The longer you have to invest, the more aggressive you can afford to be.

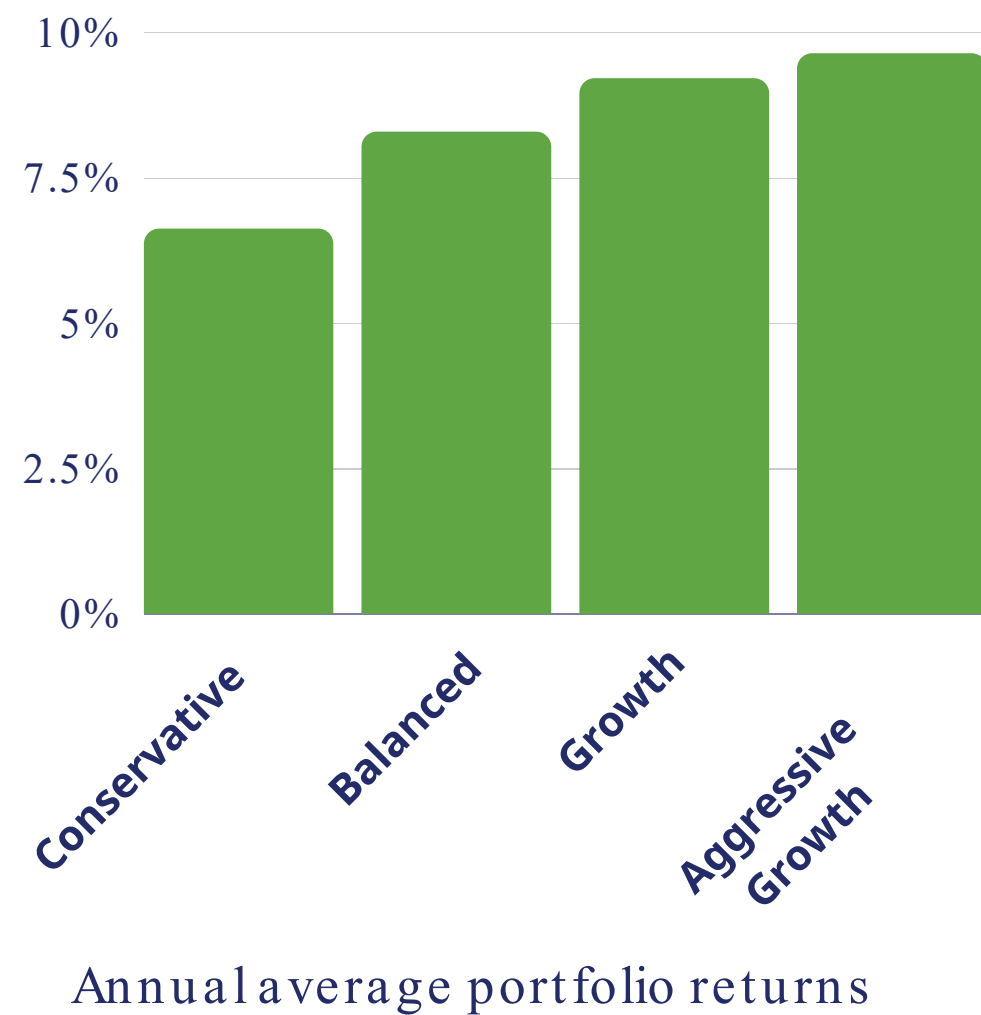
Tips and Tricks:

- Set up an asset allocation and rebalance account periodically. Well diversified portfolios combined with a time horizon of 3 to 5 years time horizon can weather most storms.
- The market will fluctuate. Be comfortable with potential short-term losses; avoid setting account only on returns
- Consider target date funds— they utilize a glide path and corresponding asset allocation based upon the average participant's age.



Review Your Investments: Asset Allocation

Comparison of Average Annual Investment Returns, 1926–2019



Examples of target asset mixes designed to meet various goals

Conservative: 20% Equity/80% Fixed income

Balanced: 50% Equity/50% Fixed income

Growth: 70% Equity/30% Fixed income

Aggressive Growth: 90% Equity/10% Fixed income

*Data from Vanguard Historical index risk/return (1926–2019)

Type	\$200 a Month Invested for 20 years
Conservative	\$92,162
Balanced	\$114,003
Growth	\$128,239
Aggressive Growth	\$138,759

This graph is for illustrative purposes only and does not represent actual or implied performance of any investment option. Asset allocation does not ensure a profit or protect against a loss.

Money in Your Retirement Plan is for Retirement ONLY



- Avoid loans, hardship withdrawals and in-service distributions.
 - If finances are tight now, imagine what they'll be like in retirement when you don't have a paycheck to assist you!
- Switching jobs? Don't cash out your retirement plan!
 - Cashing out may seem appealing, but you'll be subject to taxes and penalties. Leave the account balance in your current plan, roll it into your new employer's retirement plan, or roll it into an IRA. It will continue growing for your retirement and you will not have to pay any current taxes on it.

Money in Your Retirement Plan: Loan Withdrawals



Drawbacks of taking a loan from your account:

If you can't afford to pay back the loan and make contributions at the same time, you may stop contributing:

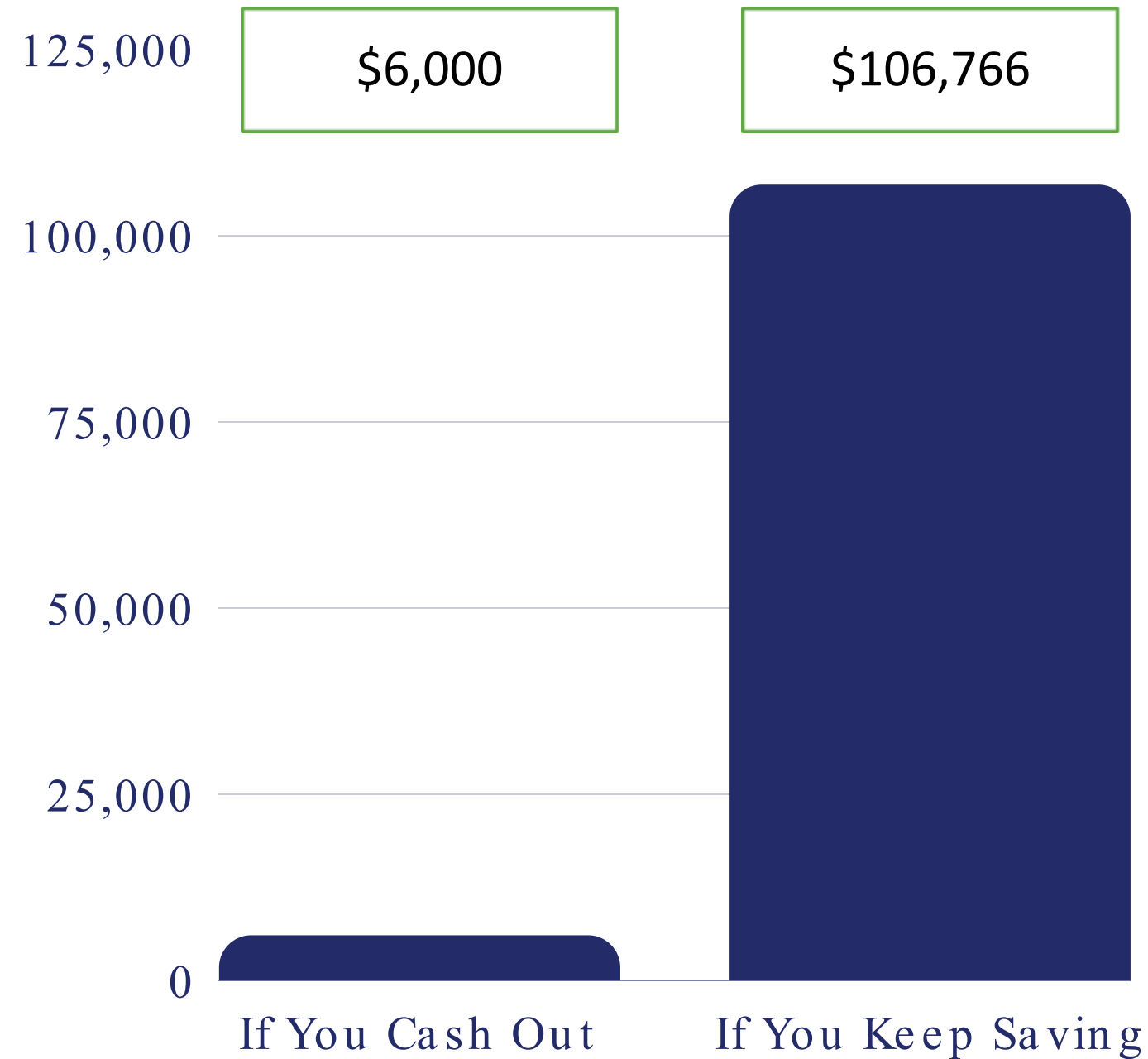
- You have less money in the account working for you.
- Might not be eligible for the employer match anymore.
- Inertia in rejoining the plan once the loan is paid off.

If the loan defaults, you're liable for any associated taxes and penalties.

Ask yourself:

- Is this loan for a necessity?
- Can you borrow from somewhere else instead?
- Can you reduce your other spending during this time?

What if you cashed out a \$10,000 account when you switched jobs?



Switching Jobs? Don't Cash Out!

With time to grow, that seemingly small amount in your account can become much larger by the time you retire! By withdrawing those funds prior to age 59 1/2 you'll pay more taxes as well.



Do Your Homework!

Calculations in this presentation were completed with the calculators available at u.bpas.com.

Customize your results further by using the Mile Marker tool available within your account!

Try them with your own information to see how you can become a Retirement Plan Millionaire!

Retirement plan, HSA, FSA, and Social Security calculators

Note: Intended for illustrative purposes only and do not serve as financial advice.

Retirement Planning Calculators

[Retirement Contribution Effects on Your Paycheck](#)

See how increasing your contributions to a 401(k), 403(b), or 457 plan can affect your paycheck as well as your retirement savings.

[403\(b\)/457/401\(k\) Savings](#)

See how your defined contribution plan can be one of your best tools for creating a secure retirement.

[401\(k\) Spend It or Save It](#)

Welcome to the Mile Marker...the road map to helping you achieve your retirement goals! By reviewing the information below on a regular basis, and customizing as needed, you'll gain a better understanding of the steps you need to take to achieve financial independence in retirement.

Mile Marker

Helping you achieve your retirement goals

Annual | Monthly

Your Projected Assets at Retirement Age	\$1,255,777
What You May Have Projected Annual Income	\$77,849
What You May Need Projected Annual Income Need	\$87,378
What You May Be Short Projected Annual Shortfall	\$9,529

The Breakdown

Adjust the fields below to update your Mile Marker Analysis

Current Salary (Annual)	\$ 58,624
Contribution Rate	- 18% +
Retirement Age	- 68 +

[Customize Your Mile Marker](#)

Want more customization options? Click here to personalize the Mile Marker for a more in-depth analysis of your retirement needs.

Goal: \$87,378
\$40,392 Social Security
\$37,457 Retirement Income
\$77,849 Projected Annual Income in Retirement

89%

Summary



1. Start early!
2. Get your full employer match
3. Contribute as much as you can
4. Review your investments
5. Money in your retirement plan is for retirement only
6. Do your homework!

The best time to plant a tree was 10 years ago.
The second best time is today.

-Ancient Chinese Proverb