Taking control of your finances

OPEIU National Retirement Savings Plan

Dan Dionne
Your retirement plan can help you get to your retirement goal

**Plan Highlights**

- Your plan has an **automatic enrollment feature**. Enrolled at a 3% pretax rate, invested in the GoalMaker Conservative Portfolio. You can decline enrollment within 30 days of becoming eligible and can join the plan in the future even if you decline enrollment today.

  - You are eligible to participate in the program as of the date the employee first performs covered employment with a contributing employer where elective deferrals and employer contributions are required in accordance with the collective bargaining agreement (CBA) and/or participation agreement as appropriate.

- You can make **investment and contribution rate changes as needed**.

- Your plan has a **contribution accelerator feature** which is an easy way to raise your contribution amount over time.

- You can save **pretax and/or Roth after tax dollars** into your account, up to the plan and annual IRS contribution limits.

- You can **rollover an old employer plan and some IRA accounts into your plan**.

- **Employer Matching** is dependent upon your collective bargaining agreement/participation agreement with your employer. You take immediate ownership of any employer match or contribution. You are always 100% owner of your own funds.
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Plan Highlights

- You can enable the plan’s quarterly automatic rebalancing feature.
- Your plan has an investment designed to help you secure an income stream for life (IncomeFlex Target) Be aware that this investment has an additional 1% fee charged in order to provide the guarantee of lifetime income. IncomeFlex is generally used by those that are closer to retirement and needing income protection.
- While employed, you may make in-service withdrawals within plan restrictions.
- While employed, you may take a hardship withdrawal, within plan restrictions.
- You may be able to access money in your retirement plan through a loan. 1 loan at one time.
You are not alone

• Nearly 8 out of 10 American workers live paycheck to paycheck.
• Almost 75% say they are in debt.
• More than half expect never to be debt-free.

As of August 2017, according to a report from CareerBuilder.
You’re in control

Small steps made today can help you live a better financial future.
Make a budget

- Track your spending
- Manage or eliminate debt
- Curb impulse purchases
- Project retirement expenses
Money in
Employer Deductions

Net Income
(take-home pay)

Figure your income
How can I track my spending?

- Use free online tools (or our budgeting tool)
- Collect all your receipts for a week and see where you are spending
Determine your expenses

• Fixed needs
• Variable needs
• Wants
Check your ratio

- Needs: 50%
- Wants: 30%
- Savings: 20%
Debt...the good kind

- Mortgage
- College Loan
- Car Loan
Debt…the not so good kind

Avg. Household Credit Card Debt

$6,929

Resulting Avg. Annual Interest

$1,141

Source: NerdWallet.com, December 2018
Know your debt-to-income ratio

Income

Debt
Less than 43%
Strategies to tackle your debt

Make a list of:

- Institutions you owe
- Balances
- Interest rates
- Minimum payments and due date
Debt-defying tips

- Keep number of credit cards to a minimum
- Pay more than the minimum
- Make an extra payment against the mortgage annually
- Consolidate loans
- Don’t withdraw from retirement accounts
There is a light at the end of the tunnel

Emergency fund
Protection solutions
Big ticket items
Retirement
Caring for family
Long- vs. short-term savings

- Different strategies for different saving goals
  - Short term: needs to be liquid
  - Long term: focus on growth
Four key options

Pay taxes now (taxable)
1. Bank accounts
2. Investment accounts

Pay taxes later (tax-deferred)
3. Retirement plans such as your 401(k), 403(b) and/or 457 plan
4. Individual Retirement Accounts (IRAs)
What happens when you don’t have an emergency fund:

- You end up using credit cards
- You take out a loan to pay for the emergency
- You borrow money from family and friends
Account tools to stay connected and informed

- Retirement statement
- Toll-free number **877-778-2100**
- **www.retirement.prudential.com**
- Contact the Rollover in Team: 800-249-2430
- Mobile app
- Amazon Alexa skill

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Enroll in your retirement plan today

Joining is simple and convenient

• Helpful tools included for choosing your investments and how much to save.

• Works from any computer, Smartphone, or mobile device.

Begin your retirement journey online at

www.retirement.prudential.com

Download the app.

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Try the Financial Wellness Assessment

Log in to your account
www.retirement.prudential.com

• Click the My Financial Life tab at the top of the page
• Then click Tools in the navigation bar
• On the next page, click Tool: Financial Wellness Assessment
Virtual coaching session

Have your questions answered by a trained professional.
Sign up online: www.prudential.com/virtualcoach

• Select a date and time
• Submit your information
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