

**NATIONAL SAVE 4
RETIREMENT WEEK**

**OCT
21-27
2012**



**IT'S
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YOU
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National Save for RetirementWeek

What is it all about?


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How did National Save for Retirement Week Occur?

- NSRW was established in 2006 by legislation introduced by Senators Gordon Smith (R-Oregon) and Kent Conrad (D-North Dakota).
- Every year since that time, continuing legislation has been introduced to continue sponsorship of this annual event.

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Why did Congress make this resolution?

- National Save for Retirement Week is a national effort to raise public awareness about the importance of saving for retirement.
- The week provides an opportunity for employees to reflect on their personal retirement goals and determine if they are on target to reach those goals.
- National Save for Retirement Week is held every year during the third week of October.

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How is NSRW Promoted?

- Tulare County promotes NSRW by sending out email blasts, Grapevine articles, and the Great Expectations newsletter to all employees reminding them about NSRW.
- The County Board of Supervisors passes a resolution proclaiming NSRW week each year.
- Our Defined Contribution provider, Great-West Financial, also promotes NSRW for us both on their web site and in their 3rd Quarter participant statement.


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Why is NSRW Promotion Important for Tulare County Employees ?

- Retirement is a three-legged stool: TCERA Defined Benefit Plan, Social Security, and a voluntary Defined Contribution Plan.
- In most cases, even a long term County employee who will receive both a TCERA benefit and Social Security benefits will have a drop in take home income compared to the salary they received as a full time employee.

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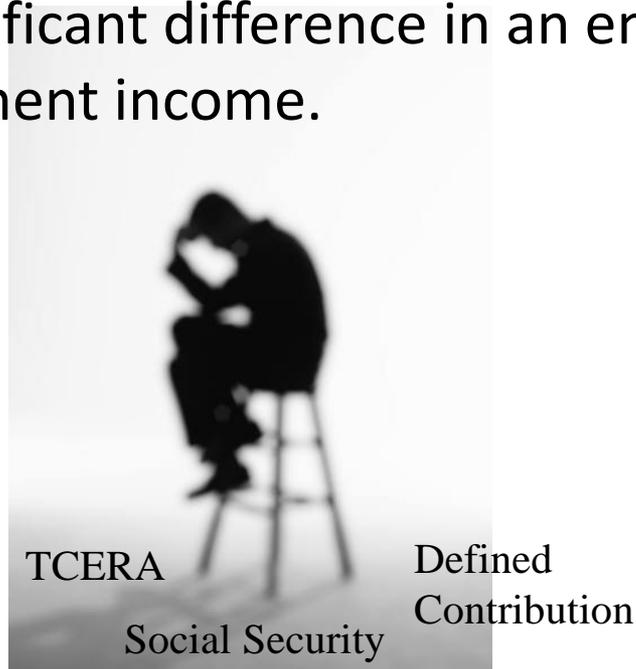
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Why is NSRW Promotion Important for Tulare County Employees ?

- Participation in the County Defined Contribution plan will provide a third retirement check that can make a significant difference in an employee's total retirement income.



TCERA

Social Security

Defined
Contribution

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Who Should Save and Plan for Retirement?

EVERYONE!!!!




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Wake Up Call!

According to the 2012 "Retirement Confidence Survey " conducted by the Employee Benefit Research Institute:

- Just 14 % of Americans are very confident they will have enough money to live comfortably in retirement.
- Many workers report they have virtually no savings and investments. In total, 60% of workers report that the total value of their household's savings and investments, excluding the value of their primary home and defined benefit plans, is less than \$25,000.


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Wake Up Call!

- In 1991, 11% of workers said they expected to retire after age 65. In 2012 that number has grown to 37 percent.
- 56% of workers expect to receive benefits from a defined benefit plan in retirement (declining from 70% in 2002), but only 33% report that they and/or their spouse currently have such a benefit with a current or previous employer.
- 62% of workers and 37% of retirees state that debt is a problem for them.
- 67% of workers state that they are behind schedule in planning and saving for retirement.

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How Does Someone Create Their Third Leg?

- Tulare County offers two types of Defined Contribution Plans:
 - 457 Deferred Compensation (pre-tax deductions – money is not taxed before being invested, but you pay taxes when it comes out.)
 - Roth 457 (post-tax contributions - money is taxed before you invest it and it comes out tax free.)

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How Does Someone Create Their Third Leg?

- Participate in one of Tulare County's Defined Contribution choices for as little as \$10 a pay period. It's even less if they choose the 457 Deferred Compensation Plan because the deferrals are invested before taxes and lower a person's taxable income.
- Brown bag it one day a week for lunch and they have more than saved enough for a \$10 contribution.

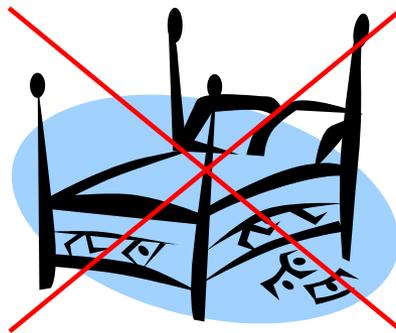




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How Does Someone Create Their Third Leg?

- Instead of stuffing that money under a mattress, they can invest it in their future...and the future of their family.



- There are even ways to plan for inflation in the way someone contributes. Contribute a % instead of a flat amount and every time they get a salary increase, their deferral automatically increases.



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Who Do I Contact to Sign Up?

- Stephanie Henry from Great West Financial at (559) 967-2280.
- Even if an employee doesn't participate in the County's Defined Contribution Plan, that third leg needs to be established through some other means in order to create a stable stool to retire on.



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What Retirement Benefits does NSRW promote?

- NSRW supports but does not promote mandatory retirement plans like TCERA and Social Security.
- The primary focus of NSRW is to promote voluntary retirement benefits such as:
 - 457 Deferred Compensation
 - Roth 457