



Retirement Savings

How Small Changes Can Make a Big Difference

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URS/PEHP Employer Event

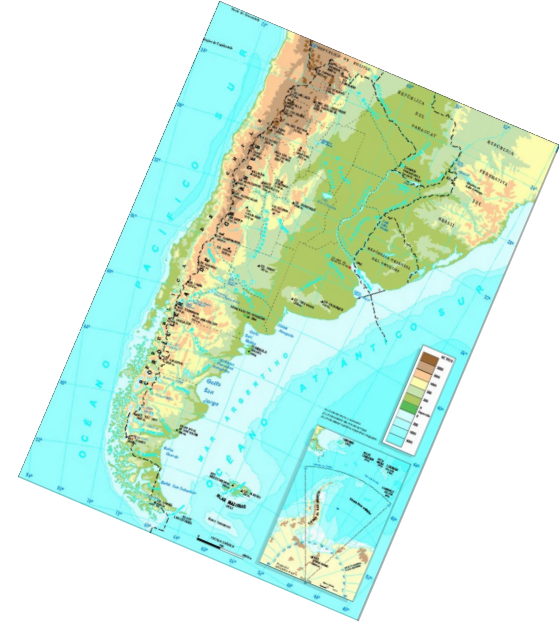
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What's One Thing We Cannot Retire Without?



What's One Thing We Cannot Retire Without?

Why?



Employee deposits

Retirement Savings

Common Misunderstandings

Employees

- › think employers are responsible for their retirement
- › don't know they can contribute to their accounts
- › don't think they will get older
- › often underestimate what they will need in retirement
- › believe it's "too late to start"
- › think they need to start with a large amount



What will \$20 do?

» \$20 bi-weekly for 30 years = **\$52,458**

» each year increase by \$20 per pay period = **\$564,569**

Assumes a 7% annual return





Member Account Balances

» Over half under \$10,000

» 86% under \$50,000

» 6% \$100,000+



Current Participation

46%

Let's discuss what we know

- » Most are not saving enough for retirement
- » Retirees are living longer





What Can Be Done?

» Start sooner

» Save more

Which is more impactful?



How You Can Help

Automatic Enrollment

- » Increases employee participation
- » Improves employees' overall financial well-being
- » Helps employees utilize benefits
- » Offers tax savings
- » Is optional – employees can opt out



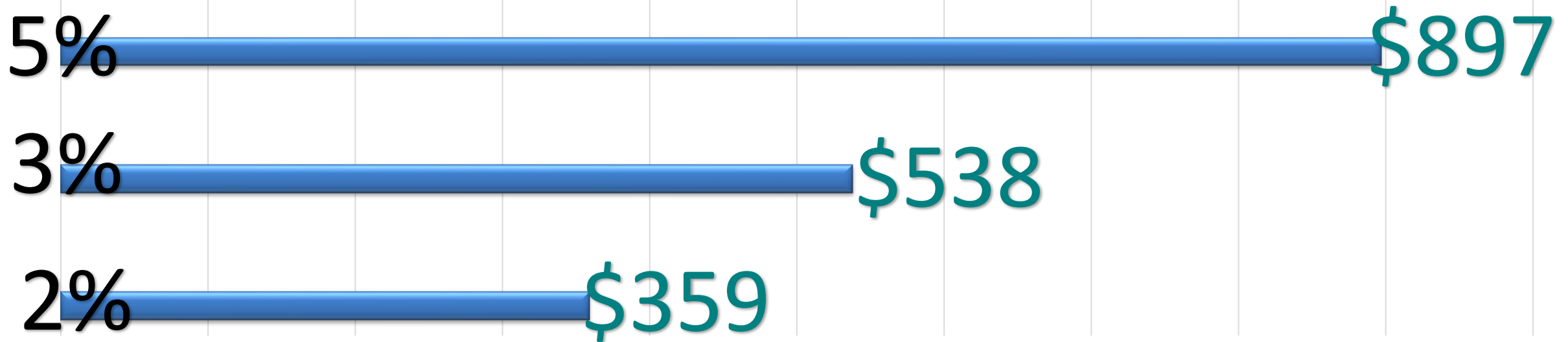
Automatic Enrollment

Example

- » \$30,000 beginning salary
- » 2% annual pay increase
- » 7% annual return while working
- » 4% annual return in retirement
- » 20 years withdrawals

Automatic Enrollment

Monthly Income Results



Assumes \$30,000 beginning salary; 2% annual pay increase; 20 years withdrawals

Employer Responsibilities

- » Implement internal policy authorizing auto-enrollment
- » Designate auto-enrollment percentage and start date
- » Submit an updated Service Agreement to URS
- » Consider impact on budget if offering a matching contribution
- » Have employees sign a disclosure form







I Want to Improve My Employees' Future!







How?

- » Contact Retirement Planning Advisors (801) 366-7470
- » Establish/Draft Policy (sample available)
- » Develop Disclosure Form (sample available)
- » Submit updated Service Agreement to URS



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