What Does Your Someday Look Like?

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Variable annuities, group annuities or funding agreements are long-term investments designed for retirement purposes. If withdrawals are taken prior to age 59½, an IRA 10% premature distribution penalty tax may apply. Money taken from the annuity will be taxed as ordinary income in the year the money is distributed. An annuity does not provide any additional tax deferral benefit, as tax deferral is provided by the plan. Annuities may be subject to additional fees and expenses to which other tax-qualified funding vehicles may not be subject. However, an annuity does provide other features and benefits, such as lifetime income payments and death benefits, which may be valuable to you.

Variable investments, of any kind, are not guaranteed and are subject to investment risk including the possible loss of principal. The investment return and principal value of the security will fluctuate so that when redeemed, it may be worth more or less than the original investment. In addition, there is no guarantee that any variable investment option will meet its stated objective.

For 403(b)(1) annuities, the Internal Revenue Code (IRC) generally prohibits withdrawals of 403(b) salary reduction contributions and earnings on such contributions prior to death, disability and age 50½, severance of employment, or financial hardship. Amounts held in a 403(b)(1) annuity as of 12/31/1988 are “grandfathered” and are not subject to these restrictions. For 403(b)(7) custodial accounts, the IRC generally prohibits withdrawals of any contributions and attributable earnings prior to death, disability, age 59½, severance of employment, or financial hardship. For both 403(b)(1) annuities and 403(b)(7) custodial accounts, the amount available for hardship is limited to the lesser of the amount necessary to relieve the hardship, or the account value as of 12/31/1988, plus the amount of any salary reduction contributions made after 12/31/1988 (exclusive of any earnings).

All Guarantees are based on the financial strength and claims-paying ability of the issuing insurance company, who is solely responsible for all obligations under its policies.

You should consider the investment objectives, risks, and charges and expenses of the investment options carefully before investing. Prospectuses containing this and other information can be obtained by contacting your Representative. Please read the prospectuses carefully before investing.
Future goals

What does your someday look like?
Get to know the future you.
Sound like you?

“This stuff is complicated.”

“I need every cent I make for rent, food and loans.”

“I have years before I need to worry about this.”
## Future Goals

What are your **goals**?

<table>
<thead>
<tr>
<th>Goal</th>
<th>Consider</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Education</td>
<td>Age of the child</td>
</tr>
<tr>
<td>Retirement</td>
<td>How long you have until retirement</td>
</tr>
<tr>
<td></td>
<td>Lifestyle in retirement</td>
</tr>
<tr>
<td>Start your own business</td>
<td>Timing</td>
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</tbody>
</table>
Future goals

Balancing saving and student loans

• 57% of Millennials say loans are delaying saving for retirement.\(^1\)

• Average student loan debt = $30,000\(^2\)

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\(^1\) Millennials: Back to the future, Voya Retirement Research Institute
\(^2\) Investment News
Future goals

Visit StudentLoans.gov
Future goals

Finding ways to save toward goals

Visit americasaves.org
Save now

Do you need it or want it?

- Health care
- Transportation
- Food
- Latest phone
- Expensive vacations
- Going out to eat often
- Shopping

Do you need it or want it?
Save now

Have an **emergency fund**

- 3-9 months of essential expenses
- Build up gradually over time
- Safe but accessible
- Use only for emergencies
Save Now

Planning by age

In your 20s
- Start small but start!
- Make it automatic.
- Balance saving with debt
- Keep fees down
- Invest for growth

In your 30s
- Remember to keep saving
- Review insurance needs
- Keep fees down
- Don’t set it and forget it
- Invest for growth
Save now

Make **time** your friend

Starts saving at **25**

Starts saving at **35**

$1,068,048 by age 65

$505,365 by age 65

The above example is for illustrative purposes only and not indicative of any investment. Account value in this example assumes a 7% annual return. Source: JP Morgan 2015 Guide to Retirement
Save now

How much **are you saving?**

Your income goal

$24,000 a year

or

$2,000 a month

Aim to eventually be saving **10% - 15%** of your pay.
Save now

Model different savings amounts
A few fundamentals
## Fundamentals

**Is an **IRA** right for you?**

<table>
<thead>
<tr>
<th>Traditional IRA features</th>
<th>Roth IRA features</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Contributions may be tax-deductible based on income or retirement plan participation</td>
<td>• Contribute with after-tax dollars</td>
</tr>
<tr>
<td>• Earnings are tax-deferred until withdrawn</td>
<td>• Eligibility based on income</td>
</tr>
<tr>
<td></td>
<td>• Savings and investments grow tax-free if conditions met</td>
</tr>
</tbody>
</table>

Taxes are generally due upon withdrawal of tax-deferred assets and early withdrawal penalties may apply to withdrawals taken prior to age 59 1/2. Money taken from the plan will be taxed as ordinary income in the year the money is distributed; or in the case of Roth contributions, are tax-free as long as it is held for at least five years and are age 59½ or older, making a first-time home purchase (lifetime limit of $10,000 per taxpayer), are disabled or deceased.
Fundamentals

Why a Roth IRA?

- Pay taxes now versus later
- Roth = tax-free potential growth
**Traditional or Roth 401(k)?**

<table>
<thead>
<tr>
<th>Traditional 401(k)</th>
<th>Roth 401(k)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• While you work, you don’t pay federal income tax on contributions</td>
<td>• While you work, you pay federal income tax on your contributions</td>
</tr>
<tr>
<td>• At retirement, you pay federal tax on your distributions</td>
<td>• At retirement, your qualified distributions are free from Federal income tax.*</td>
</tr>
</tbody>
</table>

* Distributions are tax-free, as long as you’ve satisfied the five-year holding period; and are age 59 1/2 or older, disabled or deceased.
Get help
Get Help

Not a stock market whiz?

You don’t have to be.
Get Help

Just 3 key concepts.
A few fundamentals

First - asset classes
Find the right mix

Conservative
Conservative To Moderate
Moderate
Moderate to Aggressive
Aggressive

These portfolios are hypothetical and for illustrative purposes only. You should seek advice from your legal, tax or investment advisor prior to implementing any financial or investment strategy.
A few fundamentals

Second - risk
A few fundamentals

Asset classes and risk

Higher inflation risk
Cash equivalents

Bonds

Stocks

Higher investment risk
A few fundamentals

Ups and downs

No guarantees
Mix things up

**Diversify** to spread the risk

- **Cash**
  - CDs, treasury bills
  - Money Market funds
  - Stable Value funds

- **Bonds**
  - Government bonds
  - Corporate bonds
  - Bond mutual funds

- **Stocks**
  - Different companies
  - Different industries
  - Different countries
  - Stock mutual funds

Diversification does not guarantee a profit or protect against loss in a declining market.
A few fundamentals

Time

• How much do you have?
A few fundamentals

Short term: 1-3 years
Medium term: 4-7 years
Long term: 8 years or more
Let’s talk funds

Target date funds

Generally speaking, Target Date funds target a certain date range for retirement, or the date the investor plans to start withdrawing money. Investors can select the fund that corresponds to their target date. They are designed to rebalance to a more conservative approach as the date nears. An investment in the Target Date fund is not guaranteed at any time, including on or after the target date.
A few fundamentals

History says…

stay invested

Past performance is no guarantee of future results.
Check progress
Check progress

Check your list

☑ Workplace retirement plan
☑ Individual Retirement Account
☑ Other savings
☑ Consider a Health Savings Account
☑ Save your tax refund
☑ Bank your bonus
Remember, life is like a balancing act and so is investing.
Check progress

Consider making adjustments

- Increase your contribution to your retirement account(s)
- Adjust your investment strategy
- Adjust your expectations
Check progress

Review and revise

These portfolios are hypothetical and for illustrative purposes only.
Final Thoughts - Keep investing simple

Basic principles to consider:

- The earlier the better, but it is never too late
- **Invest** what you currently can
- Do not **time** the market
- Do not **obsess** over day to day market movements
- **Diversify**

Investments are not guaranteed and are subject to investment risk including the possible loss of principal. The investment return and principal value of the security will fluctuate so that when redeemed, may be worth more or less than the original investment. Generally, the greater an investment’s possible reward over time, the greater its level of price volatility, or risk.
Questions?