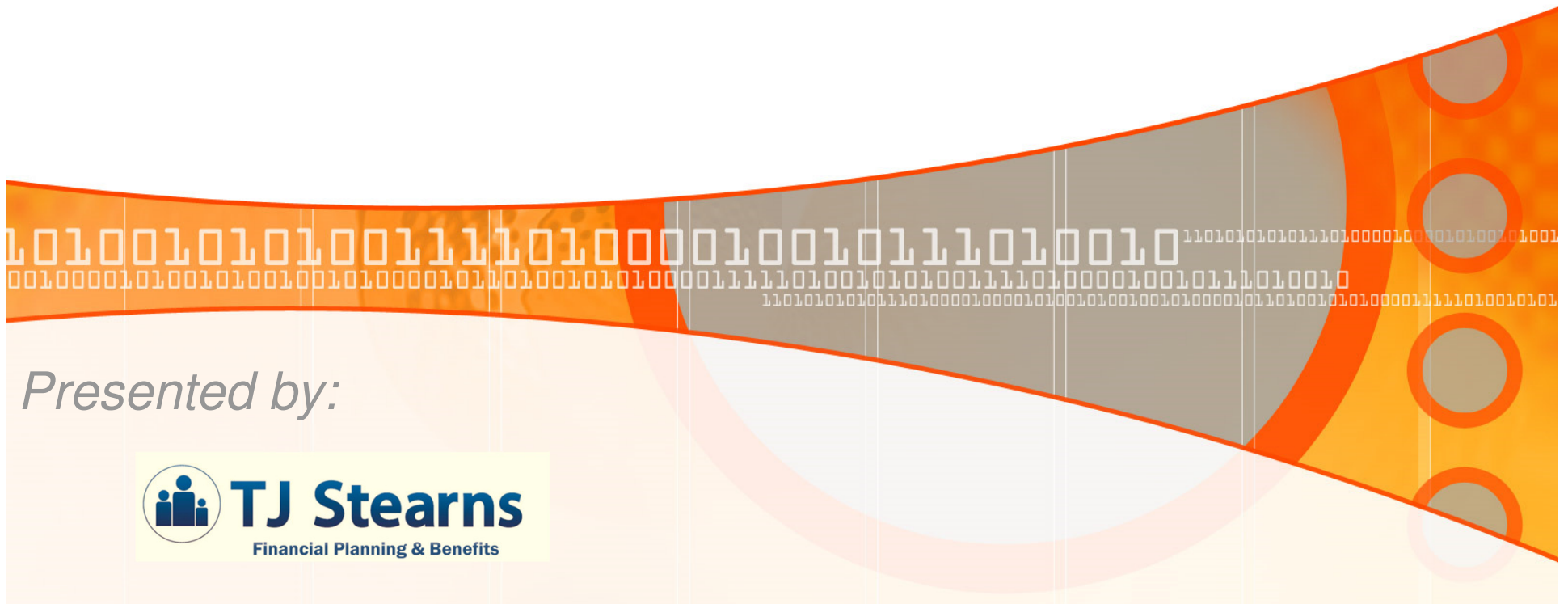


RESCUE YOUR FINANCIAL SECURITY



Today's Topics

- *Basic Facts*
- *Old vs New*
 - *Example*
- *Your Options*
 - *403(b)*
 - *Alternative Investments*



In With The New, Out With The Old

- *Old (Tier 1)*
 - *Involuntary Contribution: 9.4%*
 - *Avg. of the 4 highest consecutive years during the last 10 years*
 - *35+ years = full retirement benefits (max. 75%)*
 - *3% COLA*



In With The New, Out With The Old

- *New (Tier 1)*
 - *Involuntary Contribution: 8.4%*
 - *Avg. Salary Cap: \$110,631*
 - *Cap rises annually ½ of inflation*
 - *Grandfathered in*
 - *Increased Retirement Age*
 - *COLA- service credit x \$1000 (pension threshold)*
 - *Starting in 2016 multiplier increased based on inflation*
 - *Once pension equal or exceeds threshold 3% of current threshold*

In With The New, Out With The Old

Example: Current Age 55, Retirement Age 61, Initial Pension \$48,216

Current COLA

- 1st COLA--\$49,662
- 5th COLA--\$57,572
- 10th COLA--\$66,742
- 15th COLA--\$77,373
- 20th COLA--\$89,696
- 25th COLA--\$103,982

\$445,027

Proposed COLA

- 1st COLA--\$49,145
- 5th COLA--\$53,305
- 10th COLA--\$59,312
- 15th COLA--\$66,361
- 20th COLA--\$74,632
- 25th COLA--\$84,338

\$387,093

\$57,934



**Potential TRS
Income**



**Required
Retirement
Funds**

**Filling
the Gap**

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Supplemental Retirement Accounts

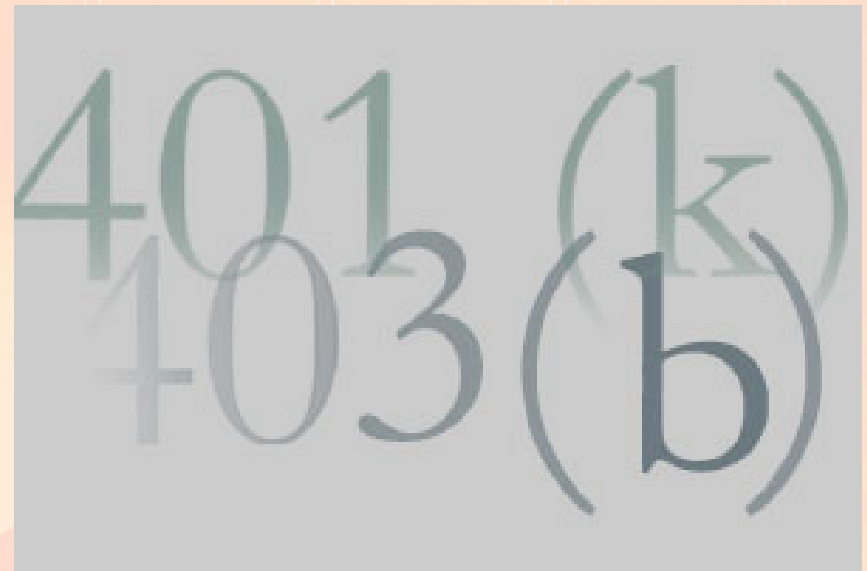
- 403(B)
- ROTH 403(B)
- IRA
- Roth IRA



My options

Pros

- *Tax-deferred status of 403(b)'s & IRA's*
- *Tax-Free status of Roth IRA withdrawal's*
- *Retirement account that you control*
- *Supplemental*



The difference in waiting

- *Name: Jill*
- *Age: 19*
- *Annual Contribution: \$2000*
- *Duration: 8 Years*
- *ROI: 10%*
- *Value @ age 65: \$1,035,160*

- *Name: Mark*
- *Age: 27*
- *Annual Contribution: \$2000*
- *Duration: 38 Years*
- *ROI: 10%*
- *Value @ age 65: \$883,185*

Begin Planning for your Future TODAY

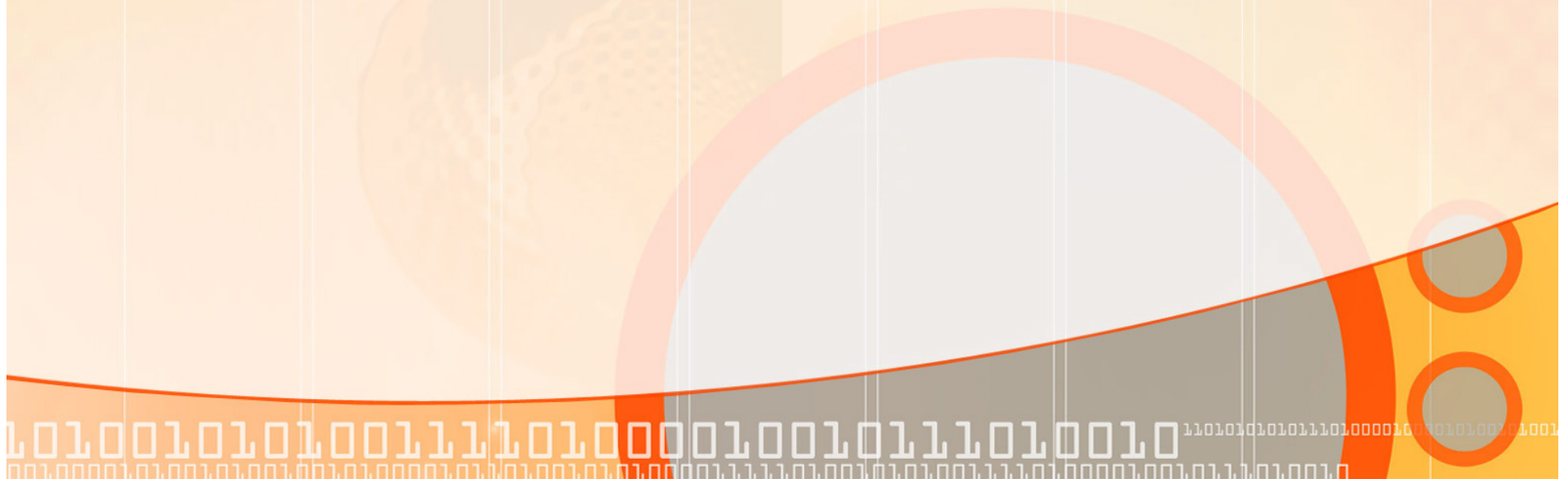
Retirement Summary													
Year	Mike Age	Tina Age	Gross Pension Income	Gross Social Security Income	Monthly Cash Flows	Annual Cash Flows	Gross Monthly Income	Net Monthly Income	Net Monthly Expenses	Net Monthly Cash Flow	WP %	Guaranteed Accounts	Retirement Funds
2025	73	70	\$758	\$3,249	\$0	\$0	\$4,007	\$3,493	\$8,022	-\$4,528	7.74%	\$0	\$675.36
2026	74	71	\$773	\$3,330	\$0	-\$13,500	\$4,103	\$3,569	\$8,232	-\$4,662	10.45%	\$0	\$628.08
2027	75	72	\$788	\$3,413	\$0	\$0	\$4,201	\$3,647	\$8,450	-\$4,802	9.51%	\$0	\$575.15
2028	76	73	\$804	\$3,498	\$0	-\$15,000	\$4,302	\$3,727	\$8,674	-\$4,946	13.79%	\$0	\$501.61
2029	77	74	\$820	\$3,585	\$0	-\$15,000	\$4,405	\$3,809	\$8,904	-\$5,094	16.69%	\$0	\$416.94
2030	78	75	\$837	\$3,675	\$0	-\$15,000	\$4,512	\$3,894	\$8,101	-\$4,206	17.93%	\$0	\$335.65
2031	79	76	\$853	\$3,767	\$0	-\$15,000	\$4,620	\$3,980	\$8,314	-\$4,333	23.23%	\$0	\$252.83
2032	80	77	\$870	\$3,861	\$0	\$0	\$4,731	\$4,068	\$8,534	-\$4,465	25.47%	\$0	\$181.03
2033	81	78	\$888	\$3,957	\$0	\$0	\$4,845	\$4,158	\$8,760	-\$4,601	39.85%	\$0	\$109.41
2034	82	79	\$906	\$4,056	\$0	\$0	\$4,962	\$4,251	\$8,993	-\$4,741	92.94%	\$0	\$34.11
2035	83	80	\$924	\$4,158	\$0	\$0	\$5,082	\$4,347	\$8,232	-\$3,884	100.00%	\$0	\$0

- Staying current in the latest developments of not only the TRS but the financial industry as a whole is a full time job that should be left to professionals.*



Useful Tools

- *Morningstar fund/ portfolio analyzer*
- *Retirement analyzer*
 - *Takes into account all of your funds*
 - *Distribution order*
 - *Inflation/ growth*





TJ Stearns

Financial Planning & Benefits

...Because we care

