



SAVING FOR  
**RETIREMENT**



# REGIONS NEXT STEP

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Are Not FDIC Insured | Are Not Bank Guaranteed | May Lose Value | Are Not Deposits

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# AGENDA

TODAY WE WILL FOCUS ON THESE BIG QUESTIONS . . .

1. Why is it important to save for the future?
2. How much should I be saving for the future and when should I start?
3. How do I develop a savings plan for my future retirement?

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# THE STARTING LINE

LET'S START WITH TESTING YOUR KNOWLEDGE

THE TIME TO START IS...  
**NOW**

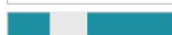


# NEXT STEP #1

# EVALUATE YOUR BENEFITS

### ▼ Your Information

Current age *i*



Retirement age *i*



Average annual income *i*

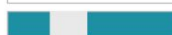
\$



### ▼ Spouse Information

Marital status *i*

Current age *i*



Retirement age *i*



Average annual income *i*

\$



### ▼ Other Factors

Social Security inflation *i*

%



#### Benefits Today

Monthly  
\$ 2,263

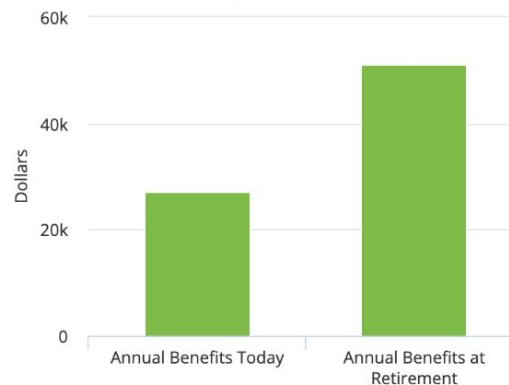
Annually  
\$ 27,158

#### Benefits at Retirement

Monthly  
\$ 4,265

Annually  
\$ 51,180

Estimated Monthly Social Security Benefits



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Partners of Sun



Regions.com/NextStep





**WHY**  
SAVE NOW?





**19%** Financially secure

**76%** Not confident they can withstand an unexpected financial emergency

**60%** Do not follow a budget

**13%** Believe they can achieve their financial goals



SOUNDS GOOD, BUT...

**ME?**

**SAVE?**

REALLY?

# NEXT STEP #2

## MEET WITH A PROFESSIONAL AND DEVELOP A PLAN





## SHORT-TERM GOALS



- Pay off credit card debt
- Start a savings plan
- Set aside cash for emergency funds
- Acquire life or disability insurance



## MEDIUM-TERM GOALS

- 
- Start college savings
  - Diversify your investments
  - Contribute maximum to 401(k) and IRA

## LONG-TERM GOALS

- 
- Purchase retirement property
  - Set retirement age
  - Maintain pre-retirement standard of living





## MONEY MARKET ACCOUNT



## CERTIFICATE OF DEPOSIT



## STATEMENT SAVINGS ACCOUNT



## INVESTMENT IS A LONG-TERM SAVINGS OPTION FOR FUTURE INCOME OR FINANCIAL BENEFITS

### How do investments earn money?

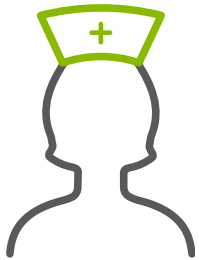
- Sell for more than you paid
- Receive dividends and interest earnings





## Regions.com/MedicalHardshipCourses

Courses Available Online 24/7



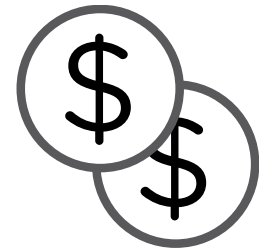
Negotiating Your  
Medical Bill



Preventing  
Bankruptcy



Managing Out-of-  
Pocket Healthcare  
Costs



Obtaining Debt Relief  
for Medical Debt



re-evaluate



target



learn



talk



diversify



research

**RETIREMENT  
INVESTMENTS**

**MUTUAL  
FUNDS**

**U.S.  
TREASURY  
SECURITIES**



**SAVINGS  
BONDS**

**STOCKS**



**START SAVING  
FOR RETIREMENT  
AS SOON AS  
POSSIBLE**



**TRY TO  
REDUCE OR  
ELIMINATE  
DEBT**



**CUT BACK ON  
UNNECESSARY  
EXPENSES**



**PAY OFF YOUR  
CREDIT CARD  
BALANCES AND  
OTHER LOANS**



## TYPES OF PLANS

In an **Individual Retirement Account (IRA)** you deposit money into an account yourself

- Traditional IRA
- Roth IRA

A **401(k) plan** is established by an employer and lets its employees set aside a percentage of pay for retirement before federal taxes are withheld

- Traditional 401(k)
- Roth 401(k)



# EVALUATE

YOUR CHOICES

## Traditional 401(k) vs. Roth 401(k)

### ▼ Your Information

Current age <sup>i</sup>

Retirement age <sup>i</sup>

Annual contribution <sup>i</sup>

\$

### ▼ Other Factors

Rate of return <sup>i</sup>

 %
 

Tax rate <sup>i</sup>

 %
 

Retirement tax rate <sup>i</sup>

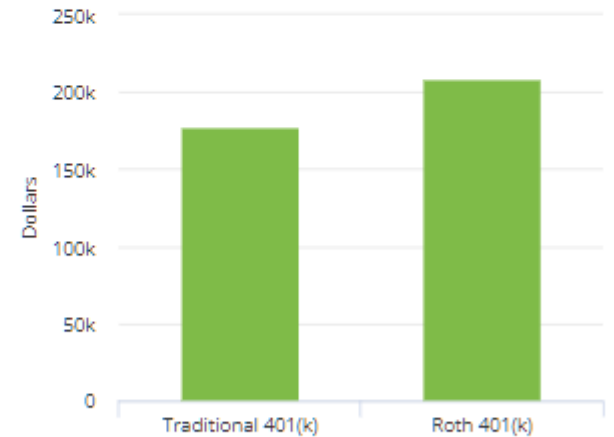
 %
 

### After-Tax Savings at Retirement

Traditional 401(k)	Roth 401(k)
\$ 177,592	\$ 208,932

*At the start of your retirement, a Roth 401(k) would have \$31,340 more in after-tax retirement savings than a Traditional 401(k) plan. However, were you to invest the tax-savings from a Traditional 401(k) in a savings account with the same rate of return as the 401(k), that account would have \$ 69,644 at the start of your retirement.*

### After-Tax Savings at Retirement



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## YOUNG ADULT



**JUST GETTING  
STARTED**

## FAMILY/ CAREER



**GROWING  
STRONG**

## MATURE



**MATURE**

## RETIRED



**TRANSITION/  
ENJOY**

## TYPICAL NEEDS

- Establish a household or purchase a home
- Establish credit responsibly
- Buy a car



**YOUNG  
ADULT**



**JUST GETTING  
STARTED**

**FAMILY/  
CAREER**



**GROWING  
STRONG**

**MATURE**



**MATURE**

**RETIRED**



**TRANSITION/  
ENJOY**

## TYPICAL NEEDS

- Purchase a first or replacement home
- Save for college
- Establish a retirement plan
- Save for a family dream vacation

YOUNG  
ADULT



JUST GETTING  
STARTED

FAMILY/  
CAREER



GROWING  
STRONG

MATURE



MATURE

RETIRED



TRANSITION/  
ENJOY

## TYPICAL NEEDS

- Pay off mortgage
- Grow retirement savings
- Assist with child's education, first home, or wedding
- Review retirement plan

YOUNG  
ADULT



JUST GETTING  
STARTED

FAMILY/  
CAREER



GROWING  
STRONG

MATURE



MATURE

RETIRED



TRANSITION/  
ENJOY

## TYPICAL NEEDS

- Protect your current standard of living
- Keeping pace with inflation
- Enhance your lifestyle



# DEVELOPING A RETIREMENT SAVINGS PLAN

- Set realistic goals
- Identify retirement income needs
- Determine how much you need to save





# RETIREMENT SAVINGS PLAN

## DECISION FACTORS

1. How much money do you want to accumulate over a certain period of time?
2. How long can you leave your money invested?
3. How do you feel about risking your money?

# NEXT STEP #3

Evaluate your progress to determine if you are on track to retire

Regions.com/NextStep

### Retirement Plans

Current age (years) ⓘ

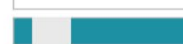


Retirement age (years) ⓘ



Annual household income ⓘ

\$



Needed retirement income ⓘ

%



### Retirement Assets

Current retirement assets ⓘ

\$



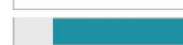
Monthly savings ⓘ

\$



Monthly pension ⓘ

\$



Monthly Social Security ⓘ

\$



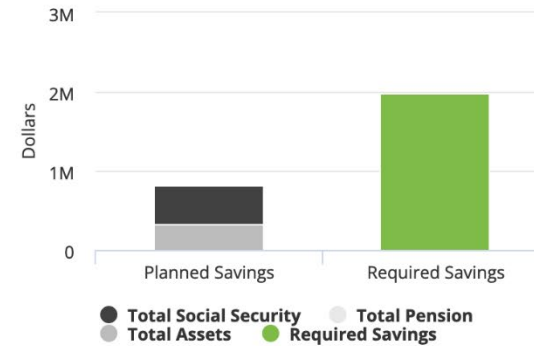
### Assumptions

### Retirement Savings Summary

Planned Savings	Required Savings
\$ 817,972	\$ 1,977,642

*Based on your savings plan and the the assumptions used in this tool, you will need an additional \$ 1,159,669 in savings based on your life expectancy and retirement spending needs.*

Planned vs Required Retirement Savings



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Tools of Use





# RETIREMENT SAVINGS PLAN

## ACTION PLAN

1. What will I do now to save toward my goals?
2. What will I do by the end of the month to save toward my goals?
3. What will I do by the end of the year to save toward my goals?

# SAVINGS TOOLS



# CONGRATULATIONS

TODAY, YOU WILL LEAVE WITH:

- A deeper understanding of the importance of saving for the future
- Knowledge of how much you should be saving
- Advice on when you should start saving
- Three Next Steps including the tools and resources to need to help you develop a savings plan for your future retirement

Thank you.

Articles

Courses

Worksheets

Podcasts

Calculators

Budget  
Templates

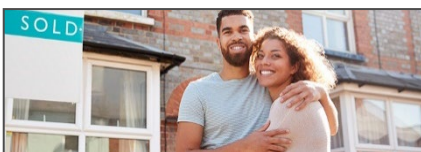
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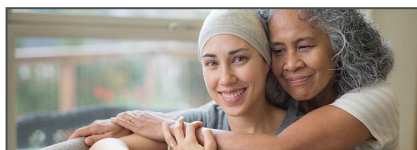
Retirement Saving  
& Planning



Saving For  
Your Next Vacation



Plan for the Holidays



Medical  
Financial Hardship



Next Step for Business



## MEETING YOUR FINANCIAL GOALS

# 1

**Make an appointment with a Regions banker:**

- Call the Regions Green Line at 1-800-REGIONS
- Go to [regions.com](https://regions.com) and click “[Make an Appointment](#)”
- Visit any Regions branch

# 2

**Visit Next Step Courses for free, online money management courses: [Regions.com/NextStepCourses](https://Regions.com/NextStepCourses)**

# 3

**Use our online resources including articles, videos, and calculators: [Regions.com/NextStep](https://Regions.com/NextStep)**

