Nationwide

SCHOOLSFIRST FEDERAL CREDIT UNION RETIREMENT PLANNING

403(b)/Roth 403(b)/457(b)/Roth 457(b)

Bridge the gap to retirement with SchoolsFirst



Supplemental plans designed exclusively for school employees

Enroll online at SchoolsFirstRP.com

SchoolsFirst Retirement Planning offers a variety of voluntary retirement savings plans. They're designed to supplement your CalSTRS or CalPERS pension and help bridge the gap between what your pension will provide and what you'll actually need in retirement.

Why plan for retirement now?

80% to 90%
Amount of your annual income that experts recommend is needed to maintain your standard of living in retirement[1]

50% to 60%
Average amount of your annual income that CalSTRS/CalPERS will replace in retirement[2]

Meet with a financial professional to review your pension plan.

90
Age that an estimated one in four 65-year-olds today will reach[3]

$325,000
Amount a 65-year-old couple can expect in total out-of-pocket health care expenses through retirement[4]

Other factors to consider:
> Dealing with inflation

> Outliving your resources

> Needing long-term care

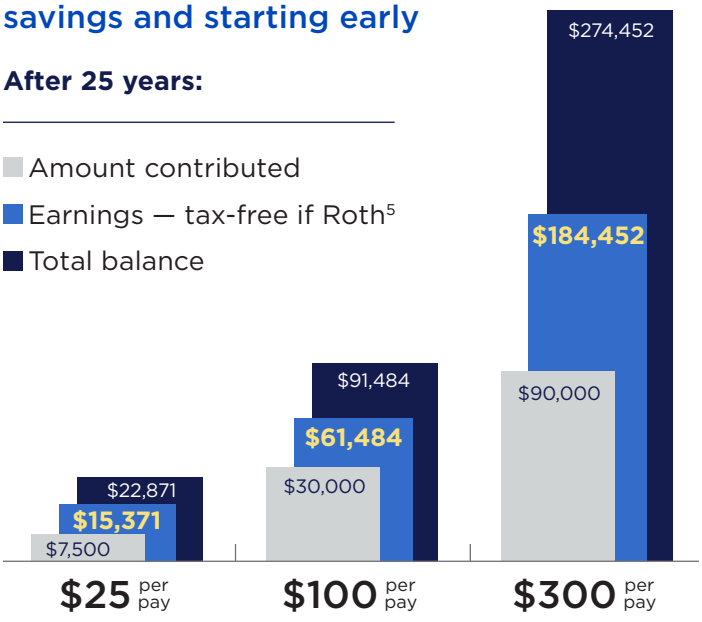
> Planning for major trips and bucket list activities

Know your choices when planning your retirement

	403(b)	Roth 403(b)	457(b)	Roth 457(b)
Taxation	Contributions are made pretax, reducing your taxable income. Taxes are paid on withdrawals, typically in retirement, when you'll likely be in a lower tax bracket.	Contributions are made after taxes have been paid. Qualified withdrawals are generally tax-free.[5]	Contributions are made pretax, reducing your taxable income. Taxes are paid on withdrawals, typically in retirement, when you'll likely be in a lower tax bracket.	Contributions are made after taxes have been paid. Qualified withdrawals are generally tax-free.[5]
Distributions	> Separation of service/retirement > Attainment of age 59½[6] > Hardship > Disability > Age 73 required minimum distribution > Death		> Separation of service/retirement > Attainment of age 59½[6] > Unforeseeable emergency > Age 73 required minimum distribution > Death	
What are the contribution limits?	> Normal contribution limit: $23,500[7] > Age 50+ catch-up: +$7,500 > Age 60–63 catch-up: +$11,250		> Normal contribution limit: $23,500[7] > Age 50+ catch-up: +$7,500 > Age 60–63 catch-up: +$11,250	

The advantages of after-tax savings and starting early

After 25 years:



This hypothetical illustration shows how much different deferral amounts per monthly paycheck could accumulate over 25 years, assuming an 8% annual rate of return for an investor. This example is not a yield projection for any specific investment. If fees, taxes and expenses were reflected, the return would be less.

The advantage of pretax savings

Based on a teacher's annual income of $60,000

403(b)/457(b) Pretax contributions	$100/ month	$300/ month	$500/ month
Monthly gross income	$5,000	$5,000	$5,000
STRS (10.25%)	$513	$513	$513
Federal and state taxes	$670	$613	$556
Net pay	$3,669	$3,528	$3,388
Change in paycheck	**$69**	**$210**	**$350**

This is a hypothetical example used for illustrative puposes only and is not indicative of any specific investment. The example does not reflect any fees or charges that may apply.



The SchoolsFirst Retirement Planning difference

Salaried advisors
Receive investment education and personalized support to and through retirement — at no additional cost.

Low cost
Gain access to no-load mutual funds with a competitive expense ratio and an asset management fee of 0.73%.[8]

Growth potential
Earnings are automatically reinvested, allowing for additional growth.

Flexibility
Choose from over 50 mutual fund options and change your investment mix at any time. Participants can manage their allocations online at SchoolsFirstRP.com.

Ease
Once you enroll, contributions are automatic through payroll deductions and can be adjusted anytime online at pa.schoolsfirstfcu.org.

Managed account service
Take some of the guesswork out of planning for retirement with professional investment management.[9]

Intuitive online tools
A variety of tools and educational resources are available online anytime and on any device.

Investment performance report

Schedule a 1:1 appointment with your local Retirement Planning Advisor



We make it easy to enroll or manage your account.

If you have questions, please contact us:

SchoolsFirst Retirement Planning
1-800-462-8328, ext. 4116, option 1
Monday through Thursday: 8 a.m. to 5:30 p.m.
Friday: 8 a.m. to 6 p.m.
Saturday: 9 a.m. to 3 p.m.

Visit SchoolsFirstRP.com

[1] "Taking the mystery out of retirement planning," U.S. Department of Labor (November 2021).

[2] Per Calstrs.com and calpers.ca.gov.

[3] "What's Your Retirement Number? No, Not Savings — Life Expectancy," research by Rate.com (July 19, 2019). This article cites data compiled by the Society of Actuaries.

[4] "A Bit of Good News During the Pandemic: Savings Medicare Beneficiaries Need for Health Expenses Decrease in 2020," Paul Fronstin and Jack VanDerhei, EBRI (May 28, 2020). The estimate is based on a hypothetical couple retiring in 2015, at 65 years of age, with average life expectancies of 85 for a man and 87 for a woman.

[5] Generally, a Roth 403(b) or Roth 457(b) distribution is a qualified distribution, including earnings, if 1) the first Roth contribution has been in the account for 5 years (the 5-year period begins January 1 of the year a member first makes a Roth contribution into the account); and 2) a member is age 59½ (and for the Roth 457(b) has separated from service) or has died or become disabled under IRC Section 72(m)(7). Distributions made prior to these requirements being met are nonqualified distributions, and earnings could be taxable. State tax may apply.

[6] A 10% early distribution fee may apply prior to age 59½ unless you are over age 55 and fully retired from the district.

[7] Source: IRS.gov.

[8] These include no front-end or back-end sales charges and 0.73% in asset management fees.

[9] The managed account service is available for an additional fee.

• Not insured by NCUA or any other government agency • Not credit union guaranteed • Not credit union deposits or obligations • May lose value

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