

Get to Know your Cambria Community Service District Deferred Compensation Plans

Date: 5/15/2024

Presenter: Sean Payton

59202-1122-W820

This presentation is the property of MissionSquare Retirement and may not be reproduced or redistributed in any manner without permission.

MissionSquare Retirement does not offer specific tax or legal advice. Please consult with your personal advisor for additional assistance prior to implementing any new tax or legal strategy.

MissionSquare
RETIREMENT



Retirement Plans Specialist



Your holistic
financial overview

Your savings goals
and objectives

Assistance from your
Retirement Plans Specialist





How Much Will Retirement Cost?

Replace between 75% and 90% of your pre-retirement income.

$$\begin{array}{|c|} \hline \text{Pre-retirement} \\ \text{annual income} \\ \hline \end{array} \times 80\% = \begin{array}{|c|} \hline \text{Estimated annual} \\ \text{retirement} \\ \text{income} \\ \hline \end{array}$$



**Some individuals will need more, some less.
How much do you think you'll need?**



**We Help
Your Money
Help You
Retire**

MissionSquare
RETIREMENT



We're on the Journey With You

To get started in your plan, enroll
through the website

www.missionsq.org/enroll

or schedule an appointment with
your Retirement Plans Specialist.

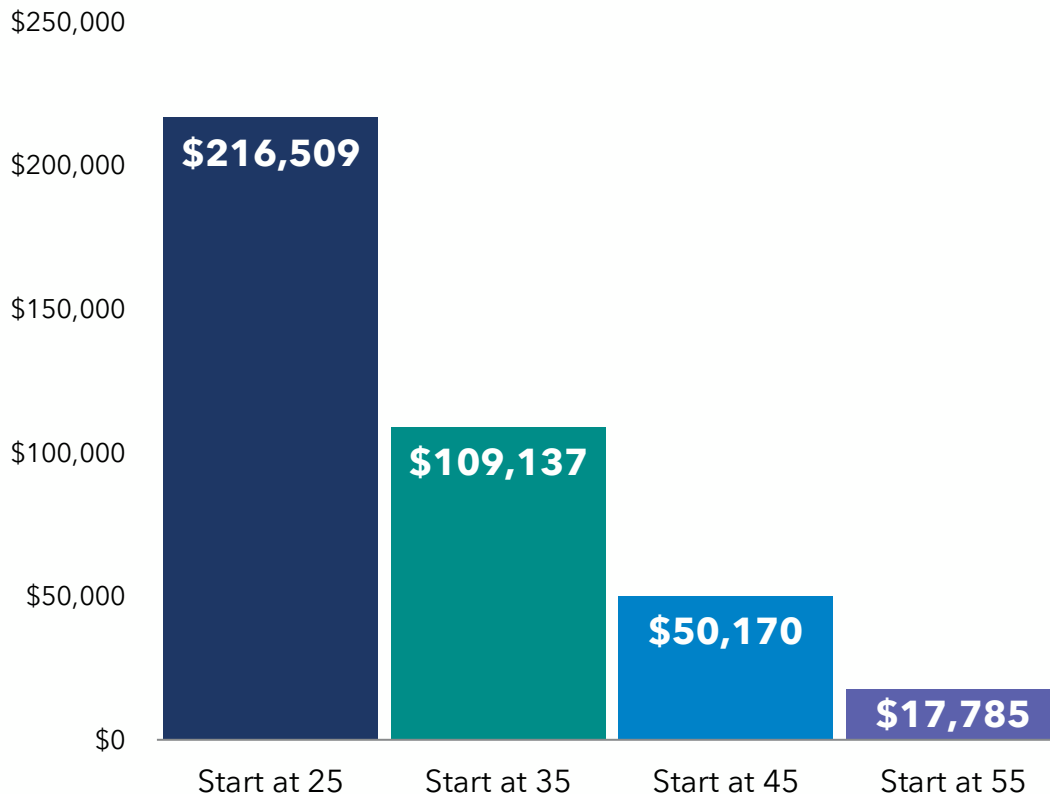




Money Starts to Work for Itself

Tax-deferral Growth

Account balance at age 65



**Can't save \$50
per pay period?**

Start with
\$20 or \$10.

Every bit helps!

[www.missionsq.org/
costofdelay](http://www.missionsq.org/costofdelay)

Cambria Community Services District Deferred Compensation Accounts

MissionSquare Retirement

457 Deferred Compensation Plan	2024 IRS Contribution Limits
➤ Pre-tax employee contributions	
➤ Annual Deferral Limit	\$23,000
➤ Age 50 Catch-up	\$7,500 (\$30,500 total)
➤ Pre-Retirement Catch-up	\$23,000 (\$46,000 total)

Traditional and Roth IRAs

- Tax-deductible contributions or tax-free earnings
 - Maximum Annual Contribution Limit \$7,000
 - Age 50 Catch-up Limit \$1,000 (\$8,000 total)



To Make Changes to Your Contributions



- Log into your account at www.missionsq.org
- Contact your HR representative
- Speak with your Retirement Plans Specialist



Simplify your Retirement Accounts

A large dark blue square graphic with the text "MissionSquare Retirement Account" centered inside. The square is surrounded by four colored bars: a purple bar on the left, a dark blue bar on the right, and a teal bar at the bottom. The text is in a white, bold, sans-serif font.

**MissionSquare
Retirement Account**



Beware of Market Predictions

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Small Value 18.05%	Small Growth 43.30%	Large Value 13.45%	Large Growth 5.67%	Small Value 31.74%	Large Growth 30.21%	Cash 1.87%	Large Growth 36.39%	Large Growth 38.49%	Small Value 28.27%
Large Value 17.51%	Small Value 34.52%	Large Growth 13.05%	Balanced 1.00%	Large Value 17.34%	Developed Int'l 25.03%	Bonds 0.01%	Small Growth 28.48%	Small Growth 34.63%	Large Growth 27.60%
Developed Int'l 17.32%	Large Growth 33.48%	Balanced 10.36%	Bonds 0.55%	Small Growth 11.32%	Small Growth 22.17%	Large Growth -1.51%	Large Value 26.54%	Balanced 16.29%	Large Value 25.16%
Large Growth 15.26%	Large Value 32.53%	Bonds 5.97%	Cash 0.05%	Balanced 8.37%	Balanced 14.13%	Balanced -2.59%	Small Value 22.39%	Developed Int'l 7.82%	Balanced 14.62%
Small Growth 14.59%	Developed Int'l 22.78%	Small Growth 5.60%	Developed Int'l -0.81%	Large Growth 7.08%	Large Value 13.66%	Large Value -8.27%	Balanced 22.16%	Bonds 7.51%	Developed Int'l 11.26%
Balanced 11.55%	Balanced 17.95%	Small Value 4.22%	Small Growth -1.38%	Bonds 2.65%	Small Value 7.84%	Small Growth -9.31%	Developed Int'l 22.01%	Small Value 4.63%	Small Growth 2.83%
Bonds 4.21%	Cash 0.07%	Cash 0.03%	Large Value -3.83%	Developed Int'l 1.00%	Bonds 3.54%	Small Value -12.86%	Bonds 8.72%	Large Value 2.80%	Cash 0.05%
Cash 0.11%	Bonds -2.02%	Developed Int'l -4.90%	Small Value -7.47%	Cash 0.33%	Cash 0.86%	Developed Int'l -13.79%	Cash 2.28%	Cash 0.67%	Bonds -1.54%

Higher Return

Lower Return

■ **Large Growth** (large-cap growth U.S. stocks, represented by Russell 1000 Growth Index)

■ **Large Value** (large-cap value U.S. stocks, represented by Russell 1000 Value Index)

■ **Small Growth** (small-cap growth U.S. stocks, represented by Russell 2000 Growth Index)

■ **Small Value** (small-cap value U.S. stocks, represented by Russell 2000 Value Index)

■ **Developed Int'l** (developed market stocks excluding U.S. and Canada, represented by MSCI EAFE Index (Net))

■ **Bonds** (investment-grade U.S. fixed-income securities, represented by Bloomberg U.S. Aggregate Bond Index)

■ **Balanced** (60% Russell 1000 Index and 40% Bloomberg U.S. Aggregate Bond Index)

■ **Cash** (ICE BofA US Treasury Bill 3-Month Index)

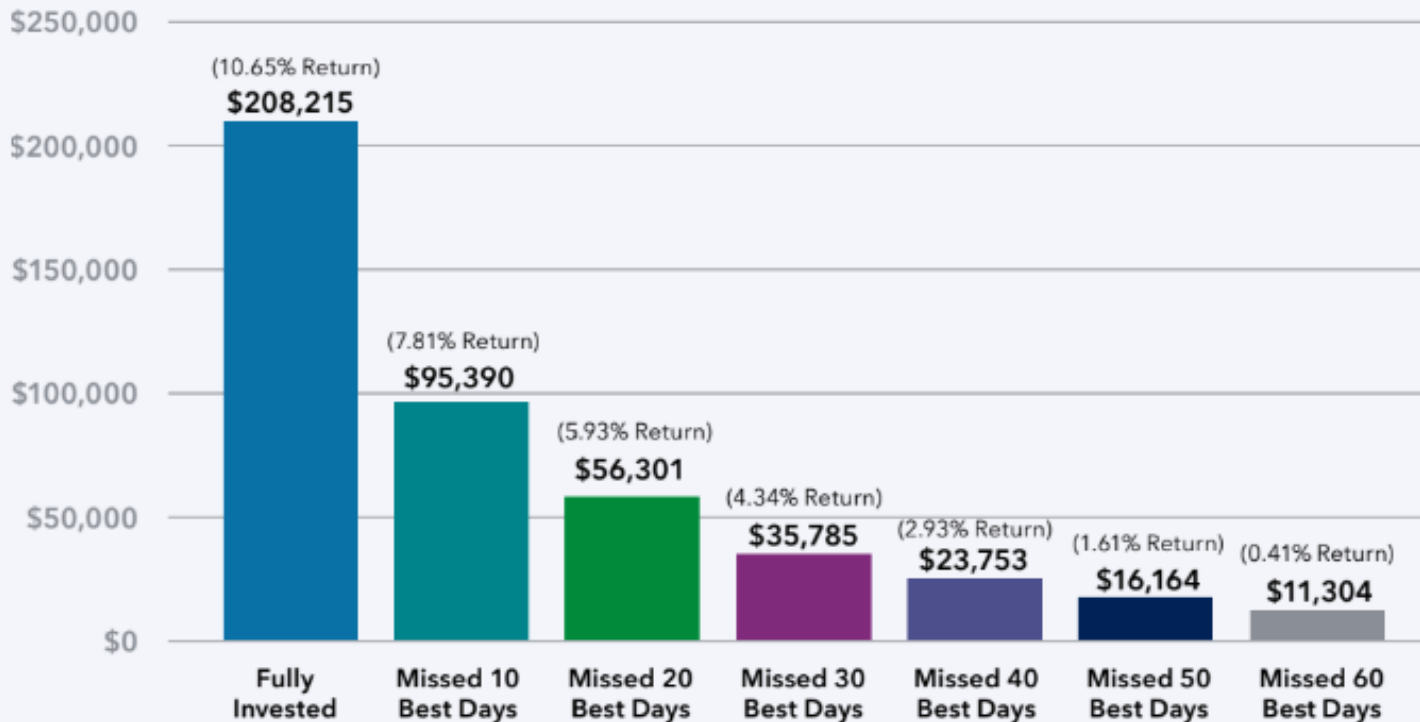
Source: Morningstar Direct. Past performance does not guarantee future returns. It is not possible to invest directly in an index.

Do you see any predictable patterns?

Time in the Market vs Timing the Market

After a downturn in the stock market, it's understandable to feel discomfort. But if you move out of stocks as a result of these emotions, it can be challenging to get back in at the right time and you may risk missing the relatively big market gains that can occur after downturns.

Performance of \$10,000 When Best Days Missed



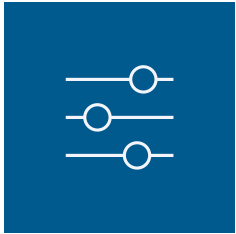
Source: Morningstar Direct.

Measures performance of S&P 500 stock index from January 1, 1992, through December 31, 2021.

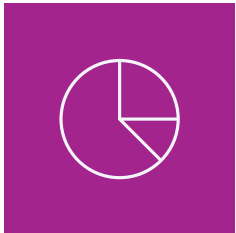
For illustrative purposes only. Past performance is no guarantee of future results.



Choose Your Investing Approach



- 1. I want to build my own portfolio**
Stock, bond, stable value fund



- 2. I want a simple, yet diversified portfolio**
Target date fund



- 3. I want someone to do it for me**
Account managed for you

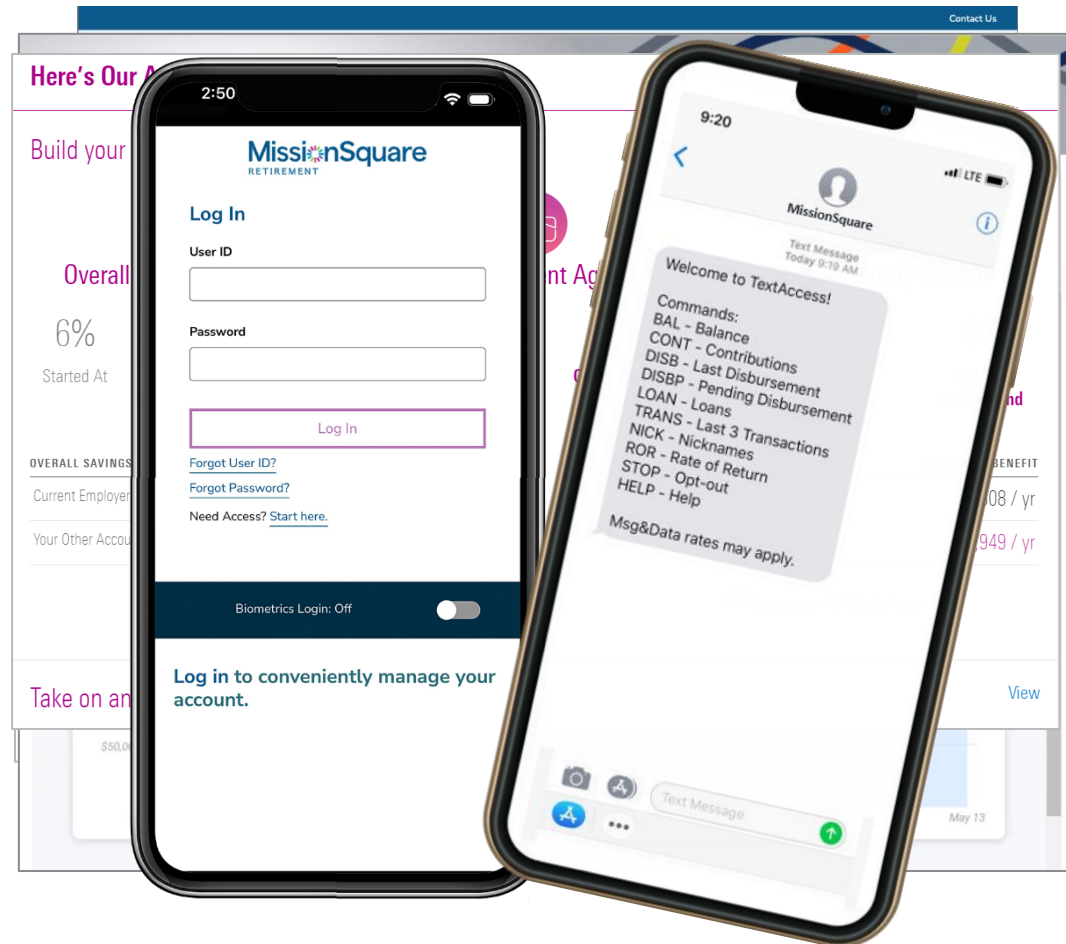


Investing and Educational Resources

Account Access

[◀ CLOSE](#)

- Manage your account on mobile
- Text commands for balance, contributions, and more





Beneficiaries

Choose your Beneficiaries



- Your assets **paid per your wishes**
- Avoid **probate costs**, delays
- Avoid **creditor claims**
- Loved ones can receive **more tax benefits**



Review periodically and after a major life event.

Married participants – Most **401** plans require your spouse to be the primary beneficiary for 100% of the account unless your spouse waives this right.



Thank You!

Retirement account questions

We're here to help. Your MissionSquare representative can ...



Help you develop and stick to a saving strategy.



Review your plan's investment options.



Provide resources including online tools available at www.missionsq.org/learn.



Answer any questions you have about your retirement plan.

Sean Payton

(202) 759-7244

SPPayton@missionsq.org




Questions?





Disclosures

1. The performance quoted represents past performance, is no guarantee of future results, and is annualized for periods greater than one year. Investment returns and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance shown. For current performance, contact MissionSquare Retirement by calling (800) 669-7400 or by visiting www.missionsq.org.
2. Indexes and peer groups are not available for direct investment. Indexes are unmanaged and do not reflect the costs of portfolio management or trading. A fund's portfolio may differ significantly from the securities held in the indexes or by peers.
3. Stock performance is the S&P 500 Index which consists of 500 companies representing larger capitalization stocks traded in the U.S.
4. Balanced performance is the combination of 60% the S&P 500 Index and 40% a blended bond index (1926-1975 Long-Term Government Bonds, 1976-present Bloomberg U.S. Aggregate Bond Index).
5. Bond performance is a blend of the Long-Term Government Bond Index (1926-1975) and the Bloomberg U.S. Aggregate Bond Index (1976-present). The Bloomberg U.S. Aggregate Bond Index consists of investment-grade U.S. fixed income securities.
6. Cash & Equivalents (C&E) performance is the IA SBBI US 30 Day T-Bill Index.



Personalized Withdrawal Strategy



When Can I Receive My Money?

Withdrawal options:

- At any age after employment separation
- Required minimum distribution after age 73 or separation from service

**457 Deferred
Compensation
Plan**

No 10% IRS early withdrawal penalty tax*

*10% penalty may apply to any roll-in assets.



When Can I Receive My Money?

- In-service withdrawals may apply (if adopted by the plan sponsor):
 - Roll-in assets
 - Emergency withdrawals
 - After age 59 ½
 - After age 73
- Loans

**457 Deferred
Compensation
Plan**



When Can I Receive My Money?

- Withdrawal at any time*
- Penalty- free at age 59 ½ or later
- Subject to required minimum distributions at age 73

**Traditional
IRA**



When Can I Receive My Money?

- Tax-free withdrawals of your contributions at any time
- Tax-free withdrawals including your earnings*
- You held the Roth IRA for at least 5 years and age 59 ½
- No required minimum distributions

**Roth
IRA**

*Subject to IRA rules, penalty and tax may apply.



Retirement Income Planning Process

