ESL Investment Services

EMPLOYEE FINANCIAL EDUCATION

Live Your Best Life – Now and In Retirement

RETIREMENT AGE[2]

MEN	WOMEN
65	63

YEARS IN RETIREMENT

17 — 20 years

RETIREMENT INCOME REPLACEMENT RATIO

70% — 90% of salary

Americans are living longer than ever before, a trend that has been steadily rising. Our life expectancy is now almost 80 years.[1] Even though the retirement age has also increased over the years—it still leaves nearly two decades of income needed after you stop working. When a person retires at the age of 65, there is a good chance they can expect to live 17 to 20 more years![1] That's a lot of golden years!

Are you saving enough today to fund tomorrow?

What about having enough money to retire? Some experts suggest you may need up to **$1 million** to retire comfortably.

The amount depends on your current lifestyle and the future you envision. You might need 70%-90% of your current salary for 20 years. Start by considering your present lifestyle and how you want to live in retirement.

Current Lifestyle

How do you like to spend your time? (Ex. Current hobbies.)

Describe your spending habits.

How much debt do you have?

What type of savings accounts do you have?

How much are you contributing to your 401(k) plan?

Future Lifestyle a.k.a. Retirement

At what age do you plan to retire?

How do you plan on spending your time?

Will you be a caretaker – or caregiver – or neither?

Do you plan on being debt-free? (Ex. mortgage free.)

Where will your retirement income come from?

Will you want to keep working past age 65?

Your future self will thank you

Saving today can make a huge difference when you retire. Even a 1% increase in your 401(k) savings can mean a lot over time. For example, a hypothetical 10% savings rate, over 35 years instead of 9% in contributions from a $50,000 annual salary can result in $739,567 of retirement savings instead of $665,610.*
That's $73,956 more at retirement.

So, review your current and future lifestyles and ask yourself, what will change when you retire? Will you continue your hobbies? What proactive steps can you take today to help live comfortably and confidently throughout your golden years?

Contact us to learn how increasing your 401(k) savings by even 1% can help you grow your savings faster.

ANNUAL SALARY: **$50,000**

9% SAVING RATE: **$665,610**

10% SAVING RATE: **$739,567**

1% MORE IS **ONLY $17.50** PER PAYCHECK (TWICE A MONTH)

BUT **$73,956** **AT RETIREMENT**

Calculate how changing your contributions could impact your retirement

ESL Investment Services

Employer-Sponsored Retirement Plans Team

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[1] Kochanek, Kenneth D., et al. "Mortality in the United States." CDC.org. Mar. 2024.

[2] Bolton, Kerra "The Average Retirement Age for Men vs. Women in 2024." nasdaq.com. 29 May 2024.

* Approximation based on a 1% increase in contribution. The sample calculation assumes continued employment for the 35 years leading up to retirement. Nominal investment growth rate is assumed to be 7%. All accumulated retirement savings amounts are shown in current dollars. Your own plan account may earn more or less than this example, and income taxes will be due when you withdraw from your account. Investing in this manner does not ensure a profit or guarantee against loss in declining markets. **Investing involves risk, including the risk of loss.**