



FINANCIAL WELLNESS SERIES

# Making your cash work harder

To meet today's living expenses  
and tomorrow's retirement.



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# Agenda

The power of cash.



Stack cash  
management  
building blocks



Deal with  
your debt



Earn, Save,  
Invest

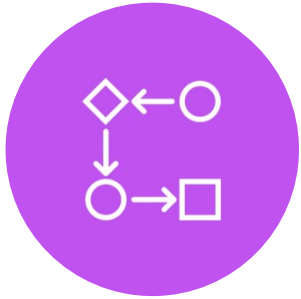


Turn today's cash  
into tomorrow's  
retirement income



Take action  
with Corebridge  
tools

# Stack your cash management building blocks



# Cash Management

A process of managing cash inflows and outflows.

Allows you to understand where your money is going.

- Daily management.
- Monthly obligations are met.
- Improves liquidity.
- Creates financial stability.

# 5 cash management building blocks

When you stack these building blocks, you create a strong financial foundation.

## MEET YOUR BASIC EXPENSES

Keep a roof over your head and food on the table

## SAVE FOR EMERGENCIES

Unwelcome surprises can derail your financial plans

## REIN IN THE CREDIT CARDS

It's easy to run amok with credit cards. Time to get ahead of the game

## CREATE A PATH TO RETIREMENT

Moving some cash to your retirement account is critical at every age

## MINIMIZE TAXES

Pay your fair share, but also take full advantage of tax law benefits

# Making your cash work harder starts here

With your budget. A nowhere-to-hide view of your cash flow.



Set up  
and use a  
detailed budget



Identify your  
must-haves vs. your  
nice-to-haves



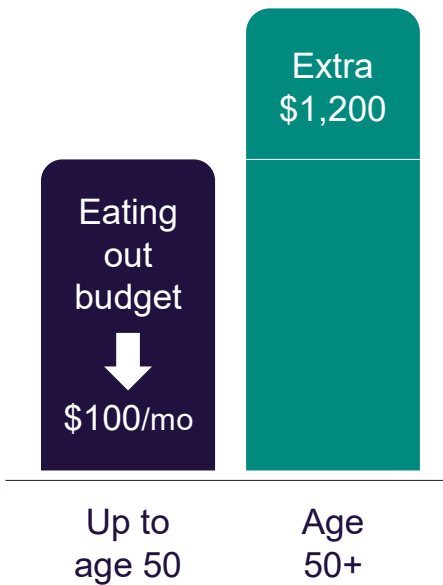
Set aside time  
every week to work  
on your cash flow



Find where  
you can  
reduce expenses

# The rewards are worth the work

You'll be in control of your cash.



## Tips for better cash management

Spend less than you make

Before you buy something new, sell something old

Eliminate unnecessary routine purchases

Look for inexpensive entertainment options

Use credit cards wisely

Brown-bag it



# Making tough choices is part of the process

Identify must-haves vs. nice-to-haves.

## Must-haves = essentials

- Food
- Shelter
- Healthcare
- Taxes

## Nice-to-haves = discretionary

- Eating out
- Bigger house/2<sup>nd</sup> home
- Spas, salons
- Vacations
- Travel and Hobbies



# A budget is a powerful tool

- Tracks your cash inflows and outflows
- Helps you see where the must-haves are ... and where you can cut back

**corebridge**  
financial

## Budget worksheet

A guideline to help establish your budget

### Essential living expenses

Non-discretionary expenses to be paid through a general income or savings source.

Category	Monthly Expense	Annual Expense	Year(s) Beginning & End	Growth Rate
Federal income taxes				
State income taxes				
Real estate taxes				
Municipal taxes				
Life insurance premiums				
Mortgage payments/rental payments				
Homeowners association dues				
Auto loans				
Auto lease payments				
Home insurance				
Auto insurance				
Medical/LTC insurance				
Property maintenance				
Utilities				
Cable/Internet				
Trash				
Water				
Energy				
Gas				
Telephone/Internet				
Other debt service				
Food/groceries				
Auto gas				
Auto maintenance				
Clothing				
Charitable contributions				
Prescription drugs				
Other installment loans				
Medical/dental expenses				
Other expenses				
<b>TOTAL</b>				

Growth Rate, as expressed in the right-hand column, can be positive and negative.

1 / 2

### Discretionary living expenses

Category	Monthly Expense	Annual Expense	Year(s) Beginning & End	Growth Rate
Travel				
Vacations				
Entertainment				
Vacation home mortgage				
Vacation home maintenance				
Vacation home insurance				
Gifts and holidays				
Other personal purchases				
Leisure				
Hobby expenses				
Auto insurance				
Discretionary utilities				
Other installment loans				
Landscaping				
Food/dining/out				
Other expenses				
<b>Total discretionary expenses</b>				
<b>Total essential expenses (from pg 1)</b>				
<b>TOTAL</b>				

Growth Rate, as expressed in the right-hand column, can be positive and negative.

corebridgefinancial.com/retirementservices 1.800.448.2542

**We're here to help you take action**

You can reach out directly to your financial professional.

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# Basics of cash management

## 2 Determine fixed and variable expenses

Fixed

Variable

EXPENSES			
Rent/mortgage	\$ 1,200	\$ 1,200	\$ 1,200
Car payment	\$ 375	\$ 375	\$ 375
Insurance	\$ 150	\$ 150	\$ 150
Student loan	\$ 200	\$ 200	\$ 200
Credit card	\$ 125	\$ 125	\$ 125
Savings	\$ 50	\$ 50	\$ 50
Groceries	\$ 150	\$ 225	\$ 175
Utilities	\$ 325	\$ 250	\$ 275
Entertainment	\$ 100	\$ 275	\$ 150
Personal/misc.	\$ 150	\$ 210	\$ 175
<b>TOTAL</b>	<b>\$ 2,825</b>	<b>\$ 3,060</b>	<b>\$ 2,875</b>

# Deal with your debt

# Debt comes in large and small packages

But having debt is not necessarily a bad thing.

Long-term debt that can be helpful.



Mortgage



Student loans



Auto loans

Revolving debt that isn't always handled well.



Credit cards



Store/gas cards



Payday loans

# POLL

- a) About \$15,000**
- b) Over \$30,000**
- c) At least \$52,000**
- d) Nearly \$70,000**

**How much does the average student borrow to pursue a bachelor's degree?**

# POLL

a) About \$15,000

b) Over \$30,000

c) At least \$52,000

d) Nearly \$70,000

**How much does the average student borrow to pursue a bachelor's degree?**

# Student Debt Options

## Conquer your debt

Student loans

**\$37,172\***

The average student loan debt for class of 2019 graduates

Deferment

Forbearance



Consolidation

Loan forgiveness

Contact your lender for qualification requirements or visit the U.S. Consumer Financial Protection Bureau for more information: [www.consumerfinance.gov/paying-for-college/repay-student-debt](http://www.consumerfinance.gov/paying-for-college/repay-student-debt).

Source: \*A Look at the Shocking Student Loan Debt Statistics for 2018. [studentloanhero.com](http://studentloanhero.com) Updated May 1, 2018.

**The Biden Administration right now,  
is launching a new “Needs Program”  
to forgive Student Loan Debt.  
Research the rules and jump on it  
quickly before the courts get  
involved!**



# Budgets must account for debt repayments

Set loans can boost your credit score. But on-time payments are a must.

- \$30,000 outstanding loan
- 120 payments (10 years)
- 6% interest rate
- **\$333/month**
- **\$30,000 loan amount (principal)**
- **\$9,967.38 interest payments**

Start date	Estimated payoff date
09/28/2023	September 28, 2033

Amortization schedule					
Payment Date	Payment	Principal	Interest	Total Interest	Balance
Oct 2023	\$333.06	\$183.06	\$150.00	\$150.00	\$29,816.94
Nov 2023	\$333.06	\$183.98	\$149.08	\$299.08	\$29,632.96
Dec 2023	\$333.06	\$184.90	\$148.16	\$447.25	\$29,448.06
Jan 2024	\$333.06	\$185.82	\$147.24	\$594.49	\$29,262.24
Feb 2024	\$333.06	\$186.75	\$146.31	\$740.80	\$29,075.49
Mar 2024	\$333.06	\$187.68	\$145.38	\$886.18	\$28,887.81
Apr 2024	\$333.06	\$188.62	\$144.44	\$1,030.62	\$28,699.19
May 2024	\$333.06	\$189.57	\$143.50	\$1,174.11	\$28,509.62

<https://www.bankrate.com/loans/student-loans/student-loan-calculator/> Ran on 9/28/2023. Hypothetical scenario for illustration only.



It's easy to get  
caught up in  
credit card debt

And quite challenging  
to dig out.

**\$1,000,000,000,000**

(that's a whopping one trillion!)

# And it's expensive to pay for credit purchases

Rates haven't been "low" for the last 10+ years.

Category	Latest (September 2023)	Q2 2023	Q1 2023	Recent Low
All Existing Accounts	N/A	20.68%	20.09%	11.82% (Q3 2014)
All New Offers	22.75%	22.39%	22.15%	16.60% (Q1 2011)
Excellent Credit	17.90%	17.52%	17.23%	12.43% (Q3 2010)
Good Credit	23.97%	23.47%	23.24%	16.07% (Q3 2010)
Fair Credit	26.29%	25.77%	25.54%	19.18% (Q3 2012)
Store Cards	30.44%	29.95%	28.67%	22.21% (2011)

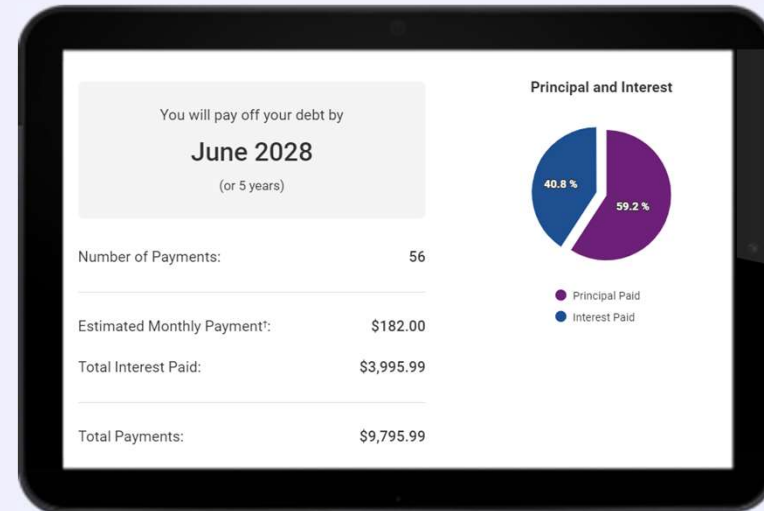
Source: Wallet Hub's Credit Card Landscape Report through Sept 2023, <https://wallethub.com/edu/cc/average-credit-card-interest-rate/50841>

# How much cash to pay off credit card?

Outstanding credit card balance today:



- \$4,300 @ 24% APR
- \$1,500 @ 30% APR
- Just paying the minimum



<https://www.experian.com/blogs/ask-experian/credit-card-payoff-calculator/>

# How to assess large, important loans

Such as mortgages, new college debt, cars.

- Check your credit score and make sure it is “excellent.”
- Shop around for lowest rates & best terms.
- Only borrow the amount you can pay back on time every month.

# Paying down credit card debt

A disciplined approach is necessary.













- Pay off much more than the minimum amount.
- Call the credit company and ask for a lower interest rate.
- Transfer the balance to a new card offering a 0% interest rate.
- Pay off the card with the highest interest rate first.
- Borrow from your savings, then repay yourself.
- Build your good credit without credit cards.

## What's in my FICO® Scores?

FICO Scores are calculated using many different pieces of credit data in your credit report. This data is grouped into five categories: payment history (35%), amounts owed (30%), length of credit history (15%), new credit (10%) and credit mix (10%).



# Credit Repair Companies

<b>1</b> BEST VALUE SERVICE	 <b>CREDIT SAINT</b> CREDIT RESTORATION	<b>OVERALL RATING</b> <b>4.9</b> 	<b>Credit Saint</b> <ul style="list-style-type: none"><li>✓ Industry leading 90-day 100% money back guarantee</li><li>✓ 100% free no-obligation initial consultation to review your credit report</li><li>✓ #1 ranked company for challenging inaccurate credit data</li><li>✓ BBB A accredited business (highly rated)</li><li>✓ In business for over 15 years</li></ul>	 <b>Free Credit Consultation</b> <b>(855) 475-0806</b> 
<b>2</b>	 <b>Lexington Law</b>	<b>OVERALL RATING</b> <b>4.7</b> 	<b>Lexington Law</b> <ul style="list-style-type: none"><li>✓ Helped over 520,000 clients work to meet their credit score goals (founded in 2004)</li><li>✓ Free credit score and credit report summary</li><li>✓ Personalized credit score coaching and patented credit restoration technology</li><li>✓ Experienced lawyers and paralegals on staff to protect consumers' credit rights</li></ul>	 <b>Free Credit Consultation</b> <b>(855) 891-7819</b> 
<b>3</b>	 <b>The Credit People</b>	<b>OVERALL RATING</b> <b>4.6</b> 	<b>The Credit People</b> <ul style="list-style-type: none"><li>✓ 100% no risk satisfaction guarantee for new clients (only \$19 to start)</li><li>✓ Get free credit reports during your complimentary initial consultation</li><li>✓ Most clients see first results in less than 60 days</li><li>✓ Provides online account to track results 24/7</li></ul>	 <b>Free Credit Consultation</b> <b>(888) 721-0978</b> 



**Earn.**

**save.**

**invest.**

# Let's play a game

What tax rate goes with these tax brackets as part of the Federal tax system?

For those who file as individual/single filers.

**Taxable income is  
\$11,601 - \$47,150**

Their tax rate is:

- A) 12%
- B) 15%

**Taxable income is  
\$47,151 - \$100,525**

Their tax rate is:

- A) 18%
- B) 22%

**Taxable income is  
\$100,526 - \$191,950**

Their tax rate is:

- A) 24%
- B) 32%

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Their tax rate is:

A) 24%

B) 32%

# Earn it: anatomy of a paycheck

1

This is where your cash management journey begins.

- Gross income
- Federal & state taxes
- FICA
- 457(b), 403(b), HSA contributions
- Other benefits and opportunities offered by your employer

The image shows a tablet displaying a W-2 Wage and Tax Statement form for the year 2023. The form is titled "Form W-2 Wage and Tax Statement 2023" and is issued by the Department of the Treasury - Internal Revenue Service. The form is divided into several sections, each with a number and a description of the information provided. The sections include:

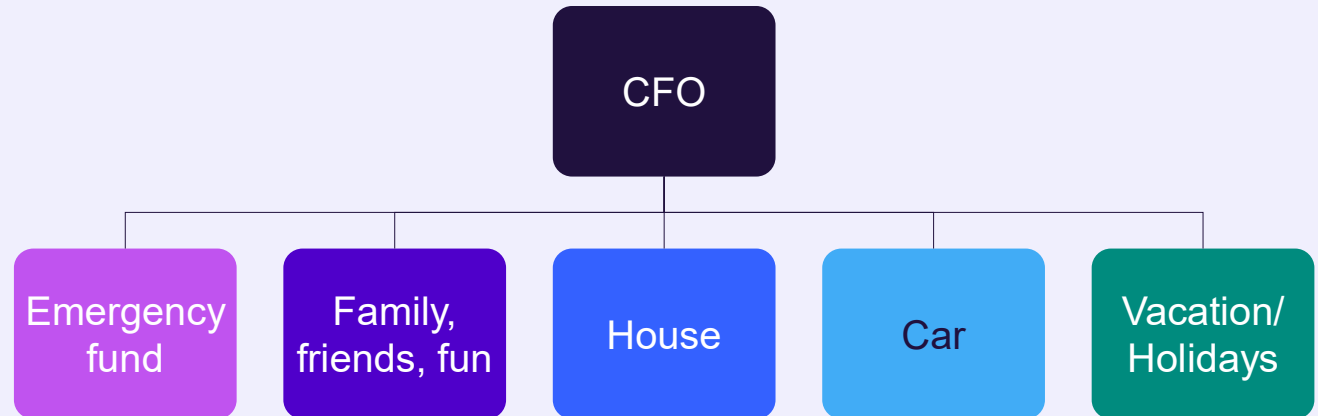
- 1 Wages, tips, other compensation
- 2 Federal income tax withheld
- 3 Social security wages
- 4 Social security tax withheld
- 5 Medicare wages and tips
- 6 Medicare tax withheld
- 7 Social security tips
- 8 Allocated tips
- 9 Control number
- 10 Dependent care benefits
- 11 Nonqualified plans
- 12a See instructions for box 12
- 12b
- 12c
- 12d
- 13 Sick pay
- 14 Other
- 15 State Employer's state ID number
- 16 State wages, tips, etc.
- 17 State income tax
- 18 Local wages, tips, etc.
- 19 Local income tax
- 20 Locality name

The form also includes the employer's social security number, employer identification number (EIN), employer's name, address, and ZIP code, and the employee's first name and initial, last name, and suffix. The form is presented on a tablet screen, which is shown at an angle.

# Save it: pay yourself first

2

Make saving automatic and earmark cash for specific goals.



# Invest it: let it grow

3

Let the cash you have saved for long-term goals grow by caring and feeding it: Investing it in the market for long-term growth potential



**Turn today's  
cash into  
tomorrow's  
retirement  
income**



# How much might you need to pay for your retirement?

More than you have today!

**Each person's number will be different based on:**

- How much you spend on must-have, essential expenses
- The kinds of activities you want to pursue in retirement
- Your health needs and conditions as you age
- Other family commitments



# Invest in different retirement savings accounts

There are advantages to a diversified income model.

RETIREMENT PLAN  
AT WORK

ROTH OPTION IN  
WORKPLACE PLAN

TRADITIONAL IRA

ROTH IRA

Keep in mind that diversification does not ensure a profit or guarantees against market loss.

# Compound growth is a key to investing

Take advantage of tax-deferred investing to turn cash into future income.



<https://www.nerdwallet.com/investing/401k-calculator> Each scenario assumes saving for retirement in a tax-deferred account begins at the age noted, employer match 3%, rate of investment return 6%. Retirement age is 67 and they contribute 10% (\$375/month).

**Actions**

**you can take  
at Corebridge**

## The TAMU System Retirement Plans



**TRS** — a traditional pension plan. Your employer manages your invested contributions on your behalf. The pension benefit depends on your salary and years of service.



**ORP** – a defined contribution “capital accumulation” plan like a 401k. You choose the investments.



**Social Security** – another traditional pension plan administered by the Social Security Administration (SSA) designed to supplement your retirement savings



**TAMU  
Voluntary  
Savings Plans  
403(b) and  
457**

**Voluntary Plans** – These too are “capital accumulation” plans

# Teacher Retirement System of Texas (TRS)

## Calculating the standard annuity

TRS uses the following formula:

- Total years of service X 2.3% = Total Replacement %
- Total % X average highest five-year salary = Annual Benefit
- Annual Benefit divided by 12 = Monthly Retirement Benefit

Example: Karen Rogers is an employee with 20 years of service.  
The average of her highest five years of salaries is \$40,000.00.

- 20 years of service X 2.3% = 46%
- 46% X \$40,000 = \$18,400 Annual Benefit
- \$18,400 divided by 12 = \$1,534 Monthly Retirement Benefit

Above is a hypothetical example. (Source: [www.trs.texas.gov/January](http://www.trs.texas.gov/January) 2018 handbook)



# TAMU Voluntary Plans

## TAMU Voluntary Plans



Tax-deferred <sup>1</sup>		Taxable <sup>2</sup>	
403(b)	TAMU Plan	Roth 403(b)	TAMU Plan
457(b)	TAMU Plan	Roth 457(b)	TAMU Plan

<sup>1</sup> Income taxes are payable upon withdrawal; federal restrictions and a 10% federal early withdrawal tax penalty might apply to withdrawals prior to age 59½.

<sup>2</sup> Roth contributions are after-tax contributions.

# TAMU sources of retirement income

## Contributions to the TAMU Voluntary Plans

- Contribution limits 2023

2024

	Traditional and Roth	
	403(b)	457(b)
Annual limit	\$23,000	\$23,000
Contribution method	Deferral via salary-reduction agreement	
Age-based catch-up (50+)	\$7,500	\$7,500*



\*Not applicable to 457(b) tax-exempt organizations.

**Awesome  
Advantages of  
The TAMU  
Voluntary  
Plans**

- 1. Tax advantaged savings (tax shelter)**
- 2. Roth Provision in both plans**
- 3. The “TAMU Catch Up” provision**
- 4. You pay yourself first!**
- 5. Mitigates or eliminates your “Shortfall”!**
- 6. You choose your own investments**
- 7. Dollar Cost Averaging**



Want to enroll in a TAMU Voluntary Plan?



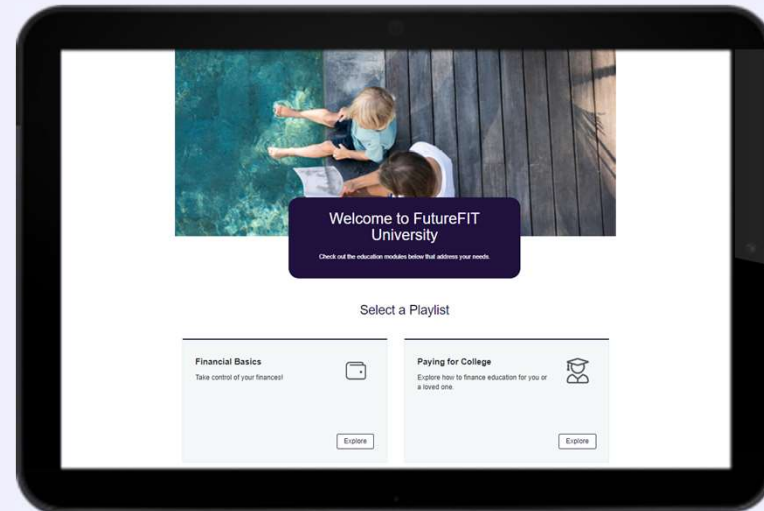
Call 1(888) 569-7055

Get enrollment assistance from your financial professional

# Go to University—FutureFit University

1

- Choose your “playlist”
- Embark on various financial paths
- Try out an interactive digital experience



# Use our tools—we'll do the math

2

- Look at your finances with our interactive tools
- Estimate savings outcomes
- See how small steps make a big difference

CALCULATE VIEW REPORT

Postponing 7 years could cost you \$301,428\*  
\*All returns and total savings are before tax.

\*indicates required.

Years to postpone saving:\* 7 1 15 30 45

Savings plan: ^

Starting amount:\* \$0 \$0 \$100k \$1m \$10m

Years:\* 40 1 15 30 45

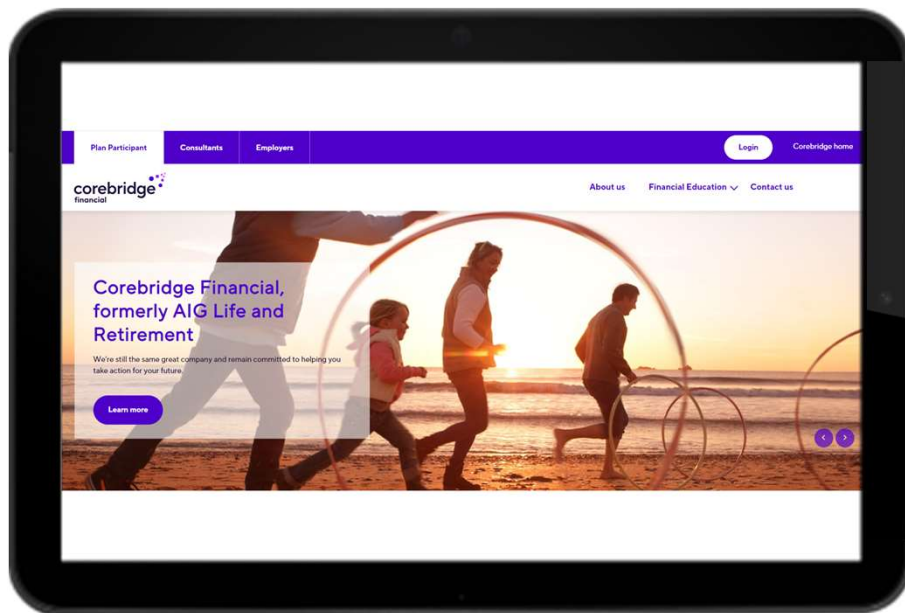
Rate of return:\* 7% 0% 4% 8% 12%

Additional contributions:\* \$300 \$0 \$1k \$10k \$100k

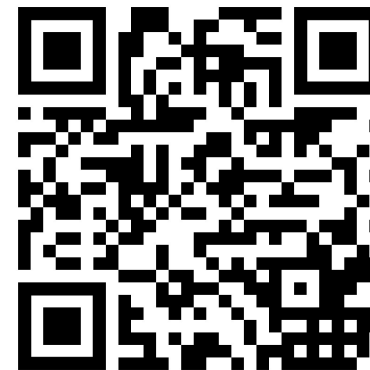
Frequency:\* PER MONTH

# Find all your resources in one location

All Corebridge Financial resources are yours at no cost.

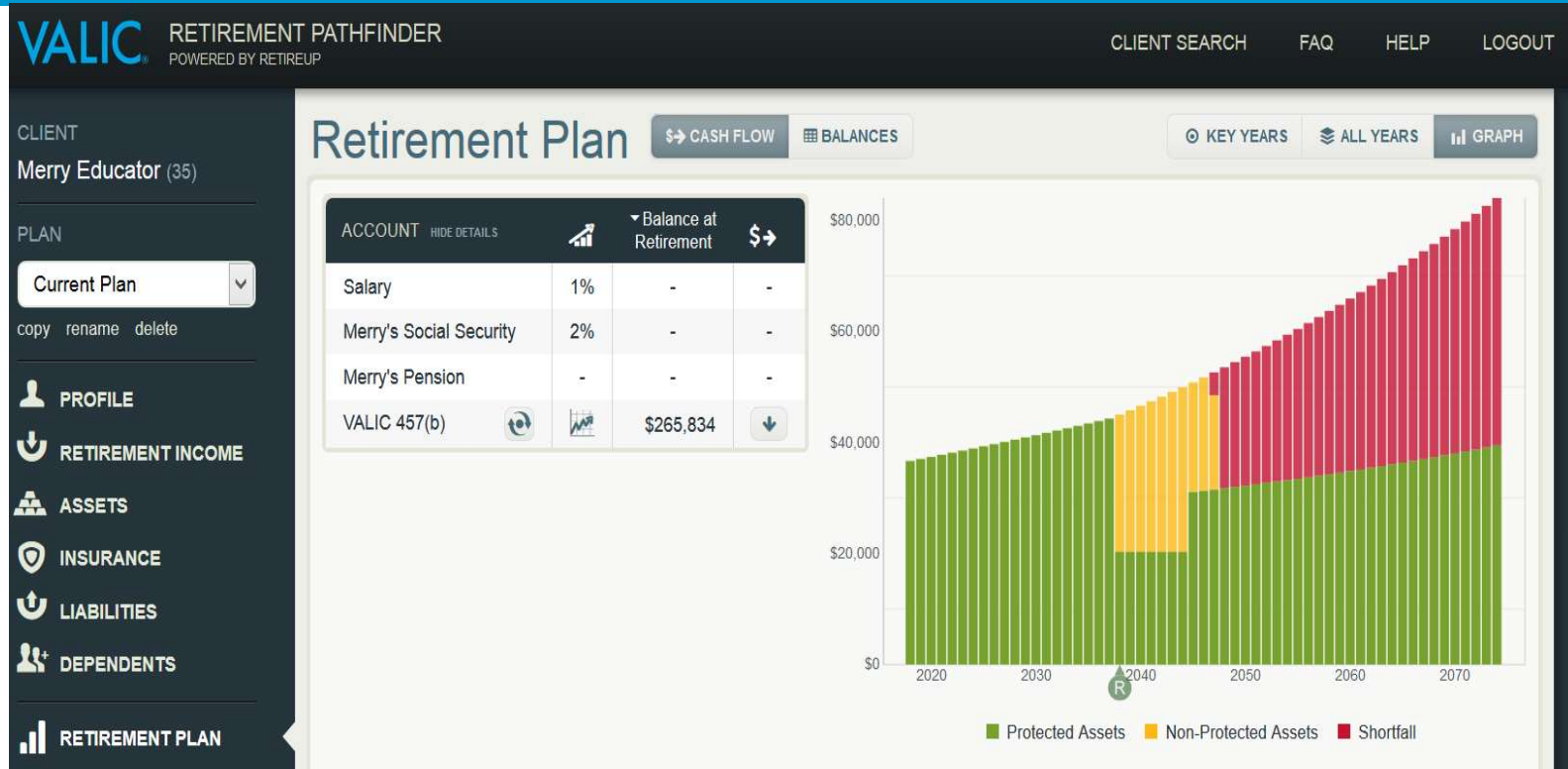


[corebridgefinancial.com/retire](https://corebridgefinancial.com/retire)



Scan the code

# Retirement Pathfinder



Not an actual case and is a hypothetical representation for illustrative purposes only.

# Where to go from here?

TEXT (903) 747-0887

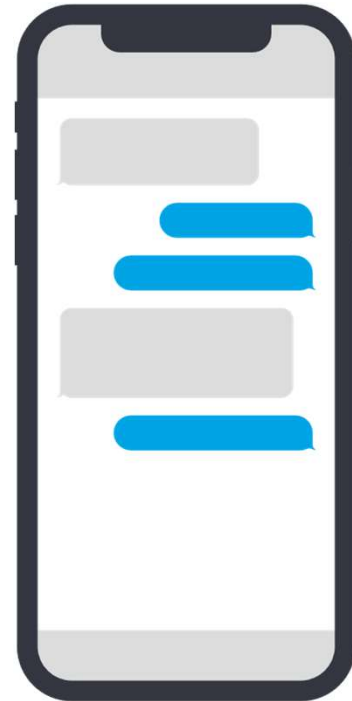
Your Name



**ENROLL**

**REVIEW or**

**RETIRE**



# Action steps

## Schedule an appointment today!

Sign up to benefit from personal attention and get answers to help you plan for a more secure financial future.



### **Dana Hodges**

Financial Advisor

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District Office: (972) 383-7200

2745 Dallas Pkwy, Ste 480, Plano, TX 75093



# Thank you

## Questions?

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### **Important considerations before deciding to move funds either into or out of a Corebridge Financial retirement services account**

There are many things to consider. For starters, you will want to carefully review and compare your existing account and the new account, including: fees and charges; guarantees and benefits; and any limitations under either of the accounts. Also, you will want to know whether a surrender of your current account could result in charges. Your financial professional can help you review these and other important considerations.

Bear in mind investment involves risk, including possible loss of principal.

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