



# Welcome

We're glad you're here

You have successfully logged in to the [Empower](#) presentation scheduled to begin at

**\*\*AM ET/ \*\*AM CT / \*\*AM MT / \*\*AM PT.**

To connect to the audio portion of the presentation, please call **415-655-0003** and enter the access code.

\*\*\*\* \*\*

Thank you. The session will begin soon.





BUILDING A FOUNDATION OF

# Financial Wellness for Everyone

Wendy Knott

Empower Financial Planner

RO3175294-0224

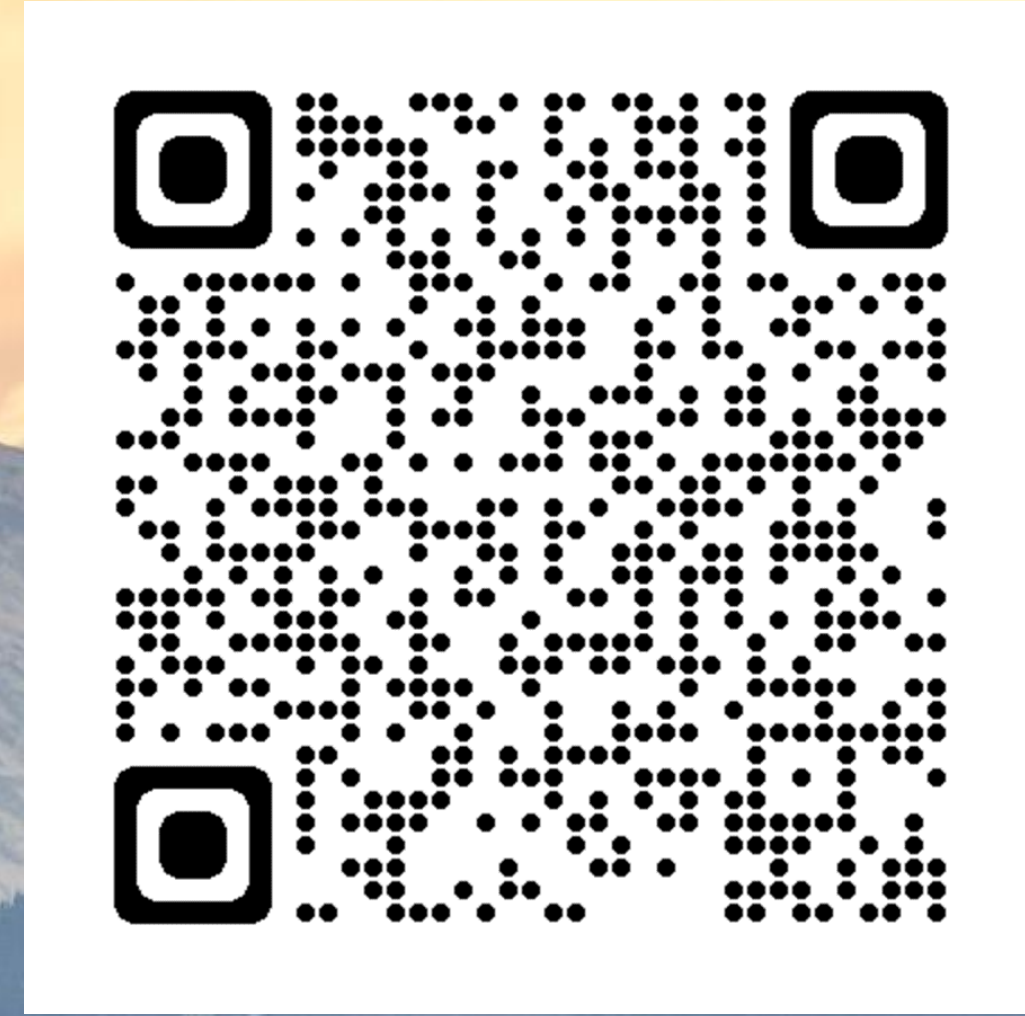


Empower Financial Planners

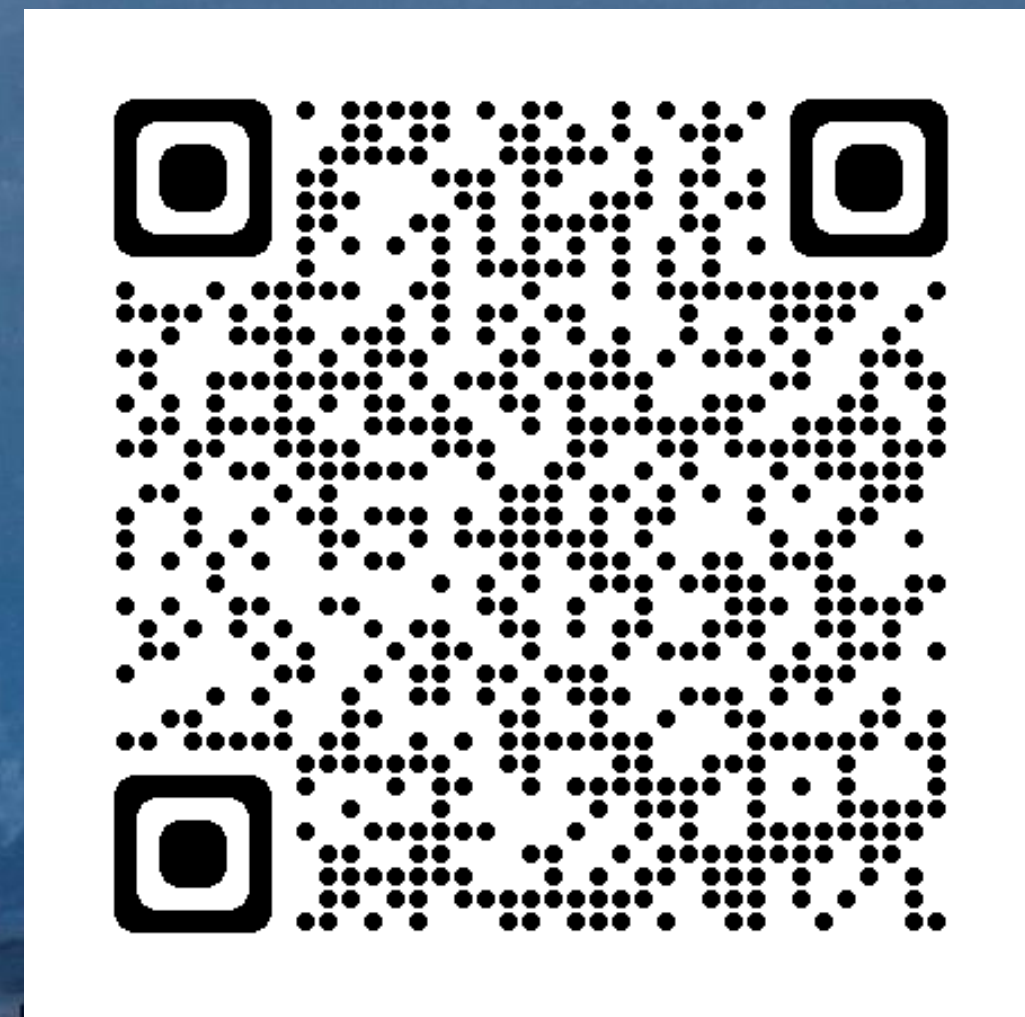
Wendy Knott, CFP®  
and Diana Law, CFP®



[seventhdayadventist.empowermytime.com](https://seventhdayadventist.empowermytime.com)



[sdaspanish.empowermytime.com](https://sdaspanish.empowermytime.com)



# Get the most out of your Empower account in 5 steps

## STEP 1



## STEP 2



## STEP 3



## STEP 4



## STEP 5

**Register your account** if you haven't already.

Select *Register* on your plan homepage.

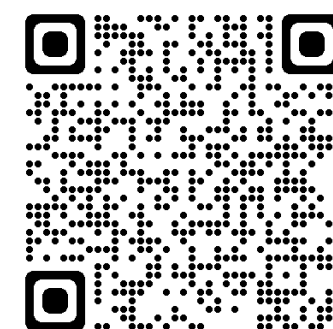
Follow the prompts to create your username and password.

**Name your beneficiary** or beneficiaries to ensure your savings go where you want them to.

**Set your communication preferences** to let us know how you would like to receive important information from us.

**Sign up for our weekly newsletter, The Currency™**, at [empower.com/newsletter](https://empower.com/newsletter), to stay in the know about financial matters.

**Download our app** to access your financial information anywhere.



# Financial wellness makes you feel free and secure

What does financial wellness mean to you?



Financial wellness is being able to enjoy life. You get to that freedom that you want to reach so you're able to have a balanced life and you don't feel like you have to be living paycheck to paycheck."

Domenica  
Empower Employee  
ALMA — Aspiring Latinos Moving Ahead



"Financial wellness is having the freedom to do what you want when you want without feeling the pressure of 'how am I gonna pay for this?'"

Mike  
Empower Employee  
VETS — Voices of Experience Through Service



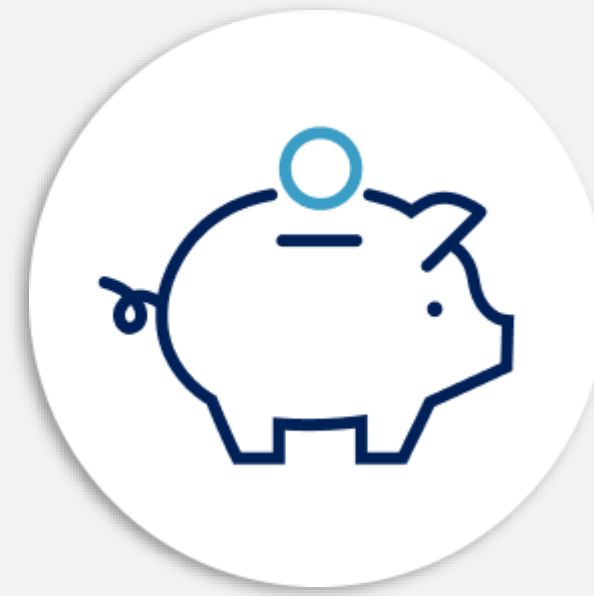
**Financial wellness is knowing you can meet your current and future financial needs and feeling free from financial worry**

Quotes provided are from Empower employees and may not be representative of the experience of other individuals. They are not a guarantee of future performance or success.

# Core areas of financial focus



**Budgeting**



**Debt**



**Credit**



**Savings**

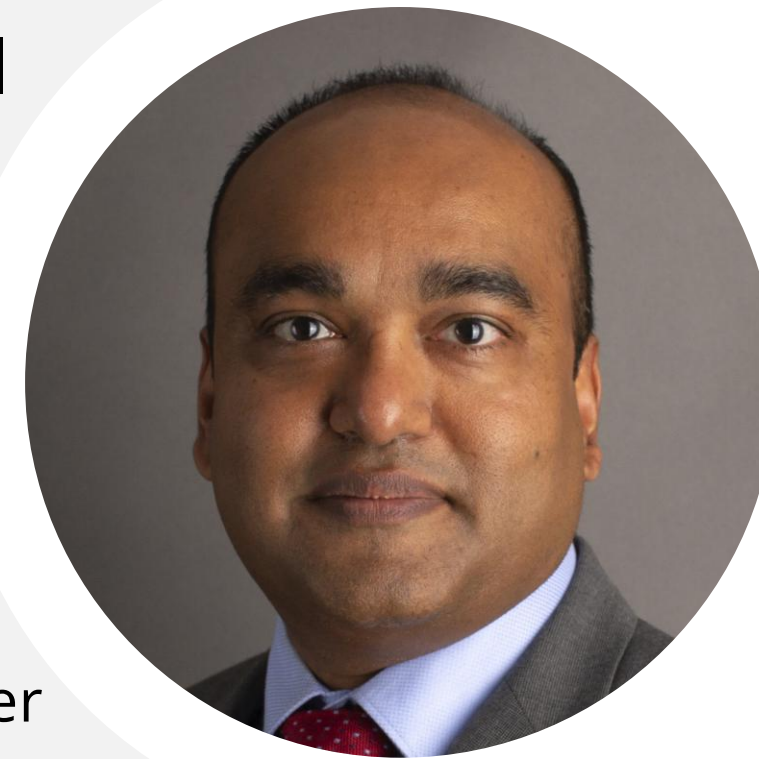
# Budgeting helps bring your money to life

## What does financial wellness mean to you?

“

Set a budget and live within it. I know we hear that all the time, but very few people, I think, actually sit down, look over their expenses, set a budget, and then live by it vehemently. And that's something I wish I had really done in my younger days.”

Sumit  
Empower Employee  
NAMaSTE — Network of Asians Making Strides Together at Empower



“

When my husband brought up the word 'budget,' I almost wanted to divorce him, like right then and there. And here's what's so funny — he put me on a budget and it has been the most eye-opening happiest life I have ever had.”

Cindy  
Empower Employee  
ALMA — Aspiring Latinos Moving Ahead



“You know, I was really fortunate. My mom — her family lost everything when they came to this country. They were very, very conscious of the money that they had and how they could spend it. So she didn't necessarily talk about how to budget, but I could see what she was doing. She was always managing the finances and making sure that certain money went to certain buckets.

Susanna  
Empower Employee  
NAMaSTE — Network of Asians Making Strides Together at Empower



”

Quotes provided are from Empower employees and may not be representative of the experience of other individuals. They are not a guarantee of future performance or success.

# The benefits of having a budget

Go from wondering where your money went to knowing exactly where it should go.

A budget may help you ...



PRIORITIZE  
SPENDING



REDUCE DEBT



PREPARE FOR  
UNEXPECTED  
EXPENSES



MEET YOUR  
SAVINGS GOALS

# A budget helps you find a balance across needs, wants, and savings

The 50/30/20 rule simplifies budgeting.



**50%**  
**NEEDS**

Necessary expenses such as housing, food, heat



**30%**  
**WANTS**

Discretionary spending on items like entertainment and hobbies



**20%**  
**SAVINGS**

Includes paying down debt, building an emergency fund, and savings for retirement

# What's competing for your money?

So many demands on your money can make it hard to know where it all goes. Creating a budget and the process of tracking your money can help give you a clearer picture.



# Budgeting made easy

Budgeting feels complicated, but it's really made of three components:



Your income



Your expenses



Your goals

# How much do you have coming in?

This is your **net pay** after taxes, insurance, and retirement contributions.

It could also include other sources of income, such as:

- A second job.
- Money from an online business.
- Alimony.
- Interest income.



# Take a look at your expenses

Track what you spend — it usually falls into a handful of categories.



## Monthly expenses

- Rent
- Car payments
- Insurance



## Variable expenses

- Groceries
- Gas
- Utilities



## Surprise expenses

- Car repair
- Vet bills
- Medical emergencies

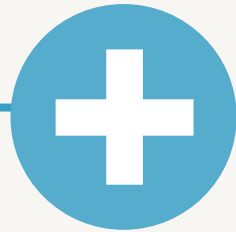


## Quality of life expenses

- Clothing
- Entertainment
- Gifts

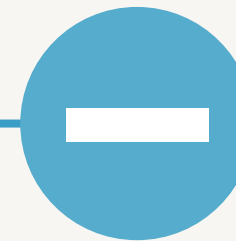
# Create your budget

Subtract your expenses from income.



**If the number is positive:**

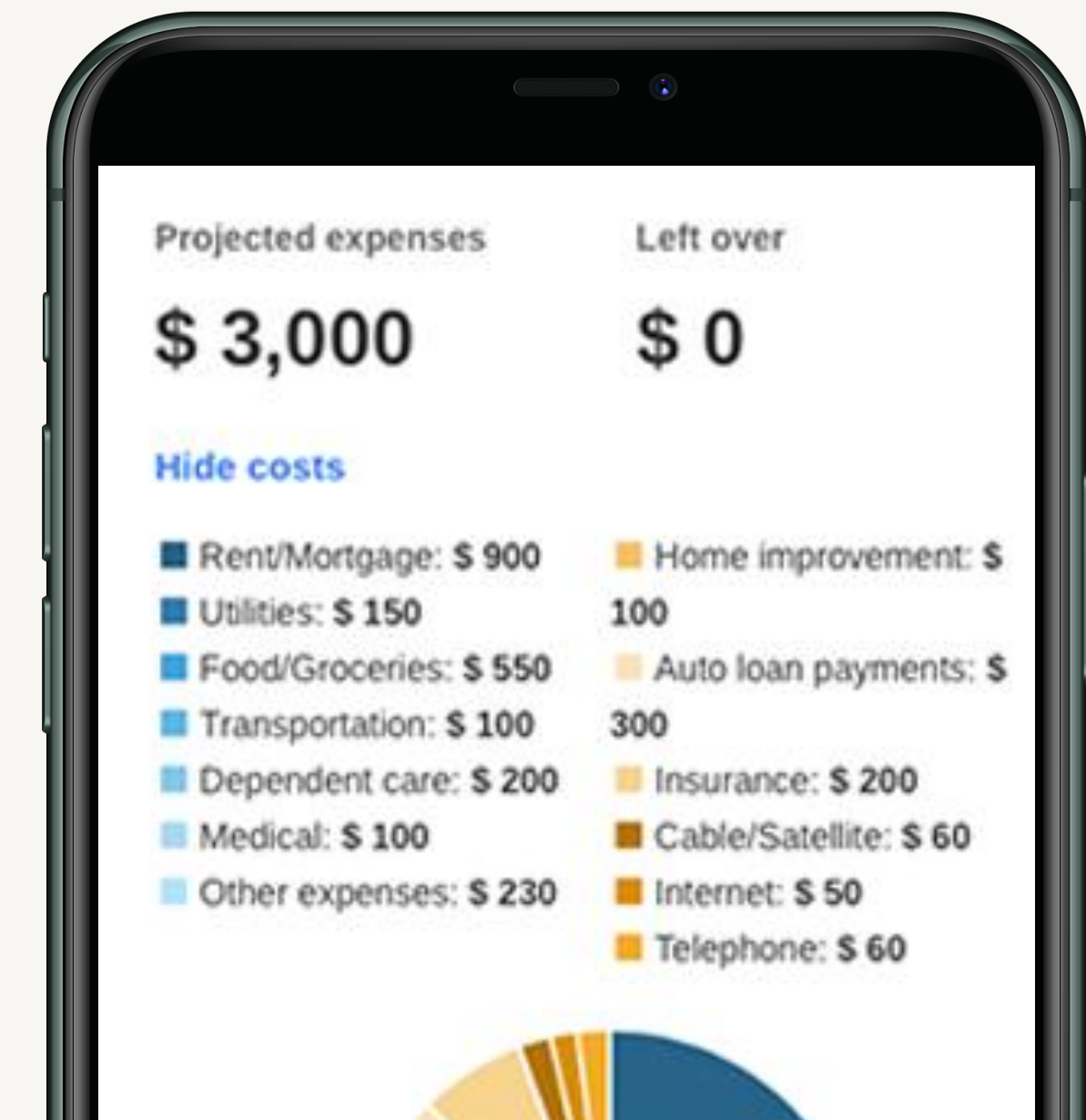
Use your budget to determine the best place to use those funds.



**If the number is negative:**

Use your budget to see where you can cut expenses.

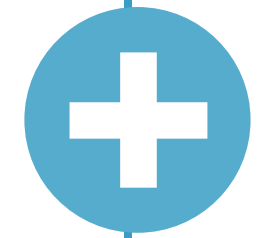
Apps and online tools can help you create and maintain your budget.



FOR ILLUSTRATIVE PURPOSES ONLY.

**Your financial needs and circumstances change over time. Try to revisit your budget periodically.**

# A sample budget



**Income:**

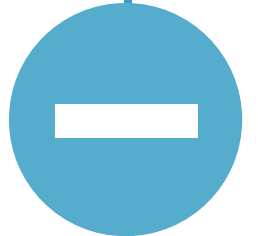


\$2,500



\$500

**= \$3,000/month**



**Expenses:**



\$2,000



\$400



\$150



\$80

**= \$2,630/month**

**Surplus = \$370**

# Your income vs. expenses results

You have a surplus

## Things to think about

- Increase retirement savings.
- Grow your emergency fund.
- Pay down debt more quickly.
- Save for college or a vacation.



# Your income vs. expenses results

You have a deficit

## Don't panic

- Find the cause.
- Adjust your nonessential spending.
- Shrink existing debt.



# Your goals

Building your financial future



## SHORT-TERM GOALS

Paying down debt  
Saving for a new car  
Starting an emergency fund



## LONG-TERM GOALS

Kids' college funds  
Vacation home  
Retirement savings

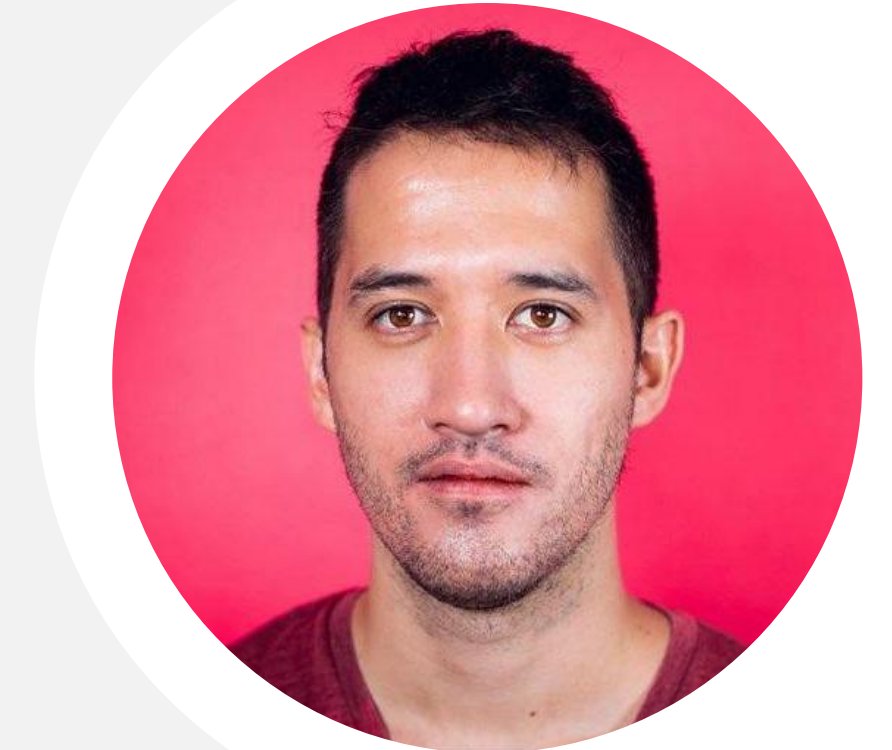
# Paying off debt can help you feel free

What does debt mean to you?



Financial wellness is the freedom of not living in debt. Knowing that you have enough to pay bills and also feeling secure that you can handle any emergencies.”

Sam  
Empower Employee  
NAMaSTE — Network of Asians Making Strides Together at Empower



“Don’t spend what you don’t have. Don’t get into credit card debt.

Susanna  
Empower Employee  
NAMaSTE — Network of Asians Making Strides Together at Empower



Quotes provided are from Empower employees and may not be representative of the experience of other individuals. They are not a guarantee of future performance or success.

# What is your debt-to-income ratio?

Debt-to-income ratio (DTI) measures how much of your income goes toward paying debt.

Total monthly debt payments

Total monthly income

= **DTI**

**Example**

\$200 monthly debt payments

\$1,000 monthly income

= **20%** **DTI**

# What does my DTI mean?

## If your DTI is ...

**0-35%**

- Your debt is manageable.
- You most likely have money left over for saving and spending.
- Lenders are more likely to offer credit options.

**36-49%**

- There is room for improvement.
- Lowering your DTI could put you in a better position to handle unforeseen expenses.

**50-100%**

- You probably have limited funds to spend and save.
- Lenders limit their credit offerings to you.

# How to stop accumulating new debt with mindful spending

**Before you can meaningfully pay down your debt, you need to stop adding more debt**

- Double check your budget to make sure that your income comfortably covers your monthly expenses.
- Practice spending mindfully to help you stay on budget.
- Before making nonessential purchases, ask yourself:

**Can I afford this? Will I use this? Do I have space for it?**



# Tips for paying off debt

After you've created a budget that helps you sustainably pay your monthly expenses without using a credit card, you can start paying off your existing debt

Here are some tips to help you pay off that debt faster:



Pay off the card with the highest interest rate first.



Pay whatever you can above the minimum payment on that card whenever you can.



Consider using your bonus or tax return to pay off debt.



Continue making your regular payments on the other cards as you pay off that higher-interest card.

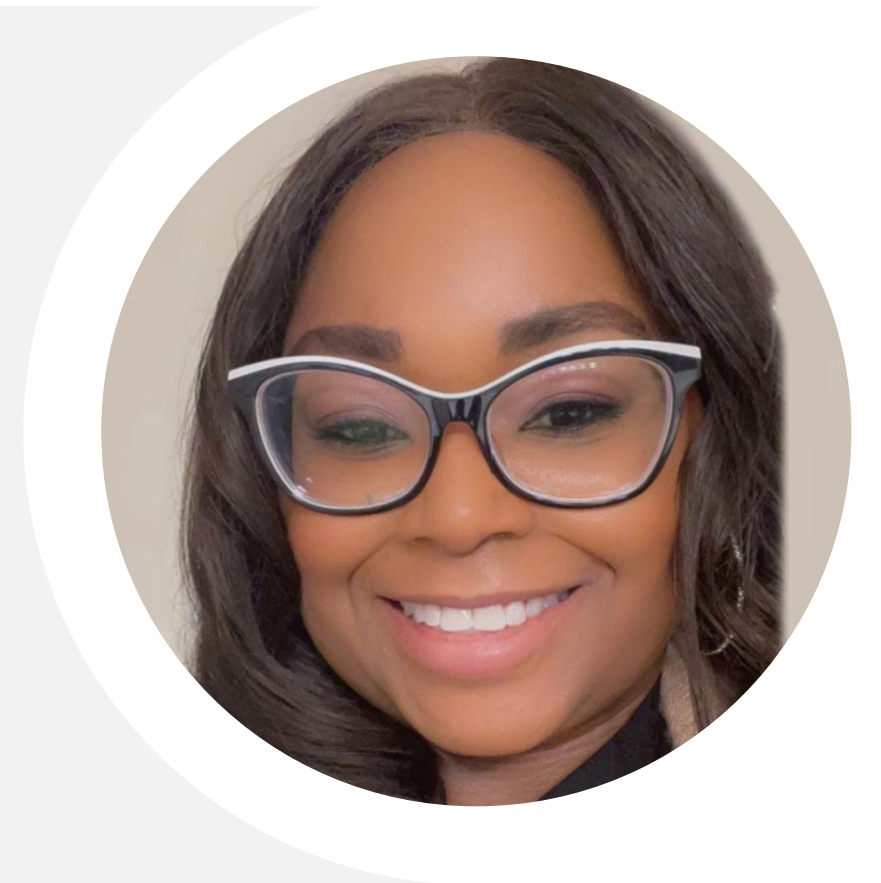
# Give me some credit

What does credit mean to you?



Financial wellness means my credit score. Just being able to be able to buy things and being able to buy property or invest and not have to worry about if I'm going to get approved for this or that. And responsible use of credit cards. I am so glad that they passed the bill that they can't be on campus and sign up for this credit card and get a free T-shirt, because that's exactly what I did."

Alycia  
Empower Employee  
BOLD — Black Organization for Leadership Development



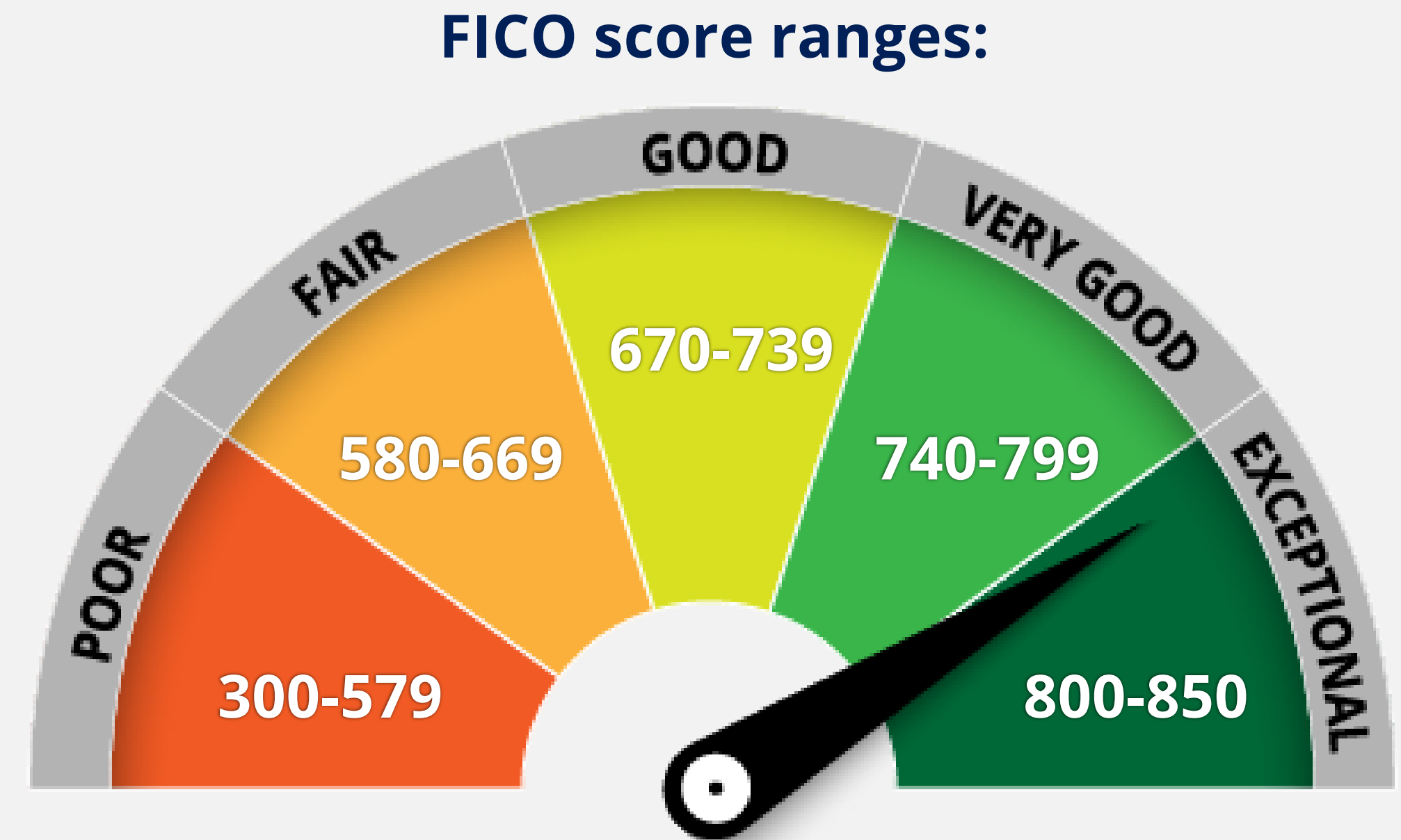
Quotes provided are from Empower employees and may not be representative of the experience of other individuals. They are not a guarantee of future performance or success.

RO3175294-0224

# What is credit?

**Credit scores are used to help credit companies make accurate and reliable risk decisions**

- Credit scores rank consumers by how likely they are to pay their credit obligations.
- The FICO credit score is the most widely used credit score. It plays a critical role in billions of lending decisions each year.



The higher your score, the easier it is to obtain credit and the best interest rates available on loans.

# How do I build credit?

## Your credit score is calculated based on your relationships with credit lenders

- Your credit score typically starts calculating when you open your first credit card account.
- If you're starting from scratch, it can take up to six months of regular credit activity to generate your credit score.

## Here are a few ways to start building a credit score:

- Open a department store or gas card.
- Apply for a secured credit card.
- Consider a co-signor or co-applicant.



# How do I maintain my credit?

## Maintaining credit starts with making solid credit decisions

- Apply for new credit sparingly and select cards with low annual fees.
- Keep your credit card balances under 30% of your available limit.
- Don't use credit as an extension of income — if you can't afford to pay for it, don't charge it.
- After you've opened an account, make all your payments on time.

**Use the auto-pay feature to help you make payments on time**



# How do I monitor my credit?

Monitor your credit frequently through an app or by visiting a credit bureau website

Creditors also look for other types of consistency like a stable income and steady place of residence



# Additional ways to increase your credit score



Pay your bills consistently



Open a credit card and pay it in full each month, or even choose not to use it



Use a debit card



If you pay off a credit card, don't close the account

# An emergency fund helps keep emergencies from becoming crises



Using your savings instead of a credit card to pay for emergencies can help you save money

Sample cost for car repair

**\$1,200.00**

Cost if paid with credit card  
over 5 years at 18% interest

**\$1,828.33**

You're overspending by

**\$628.33**

# Building and maintaining your emergency fund

## Saving can be hard to do, but every little bit helps

- Are you able to save a small amount from each paycheck?
- Can you put your tax return or bonus into savings?
- Try to replenish your emergency fund after you use it.

**How big should your emergency fund be?  
Any amount is helpful.**



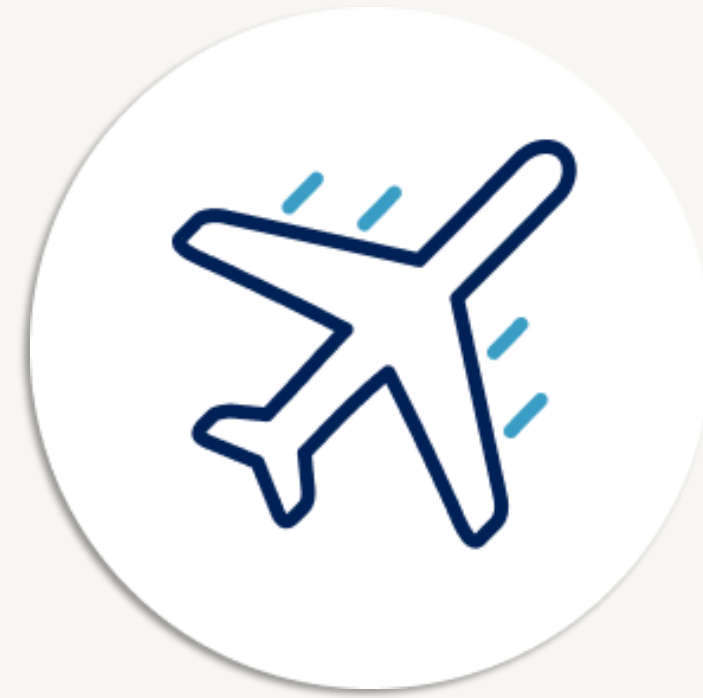
# Your emergency fund

## Building and maintaining an emergency fund

Financial professionals recommend having enough in savings to cover three to six months of expenses.



# The difference in saving for short-term and long-term goals



## Short-term

- Savings account
- Accessibility
- Low-risk



## Long-term

- Investment account
- Potential growth
- Tax benefits

# Saving in your employer retirement plan

- One of the easiest ways to save
- Tax advantages
- Compound earnings
- Company match



# The beauty of compound earnings

With the potential of compound earnings, not only would your contributions potentially grow, but you also could gain earnings on any earnings.

The money you start saving today could theoretically double in just 12 years — and triple in 19 years.



FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not reflect a particular investment and is not a guarantee of future results. This is a demonstration of the rules of 72 and 114 used to approximate the number of years it takes a given investment to double and triple in value. It assumes a 6% rate of return. Rates of return may vary. This illustration does not reflect any associated charges, expenses, or fees, which could change the outcomes provided.

# How pretax contributions work

Contributions are made before taxes are taken out.

## On the plus side

- Any growth is tax-deferred.
- Your current taxable income may be lowered.
- You may pay lower taxes later.



# How Roth retirement plan contributions work

Roth retirement plan contributions are deducted from your paycheck after taxes are taken out, and any earnings\* are also tax-free for qualified withdrawals

## On the plus side

- May be a good option if you expect to be in the same tax bracket you are in now, or higher, when you retire.
- Money you save today has the potential for long-term growth if you don't plan to access it for many years.



\* Earnings on Roth contributions will be taxed unless withdrawals are a qualified distribution as defined by the IRS.

# Would you rather have more money now or later?

- If you expect your tax rate to be higher in retirement, Roth contributions may be right for you.
- You won't have to pay taxes at the higher rate when you take your qualified distributions.
- It may cost you more on the front end to invest with Roth.
- Your contributions may become more valuable later because they have already been taxed.



# A side-by-side comparison

	<b>PRETAX PAYCHECK CONTRIBUTIONS</b>	<b>ROTH WORKPLACE CONTRIBUTIONS</b>	<b>AFTER-TAX PAYCHECK CONTRIBUTIONS</b>
<b>EFFECT OF CONTRIBUTIONS ON PAYCHECK</b>	Prior to tax withholding	After taxes withheld	After taxes withheld
<b>TAXATION ON DISTRIBUTIONS</b>	Contributions taxed as ordinary income  Any earnings taxed as ordinary income*	Contributions not taxed  Any earnings not taxable with qualified withdrawals*	Contributions are not taxed  Any earnings are taxed as ordinary income

Note: When choosing between contribution types, participants must take into consideration their complete personal financial situation.

\*If a distribution is not qualified, the earnings are taxed as ordinary income and may be subject to early withdrawal penalties. The 10% federal early withdrawal penalty does not apply to 457 plan withdrawals except for withdrawals attributable to rollovers from other type of plans or accounts.

# Experience the best of both worlds

## Roth strategies to think about

- Ease into the bigger tax bite by splitting contributions to start
- Contributing both ways enables tax diversification in retirement

**Consult your tax professional for help with your personal situation**



# More ways to save

Once you have the basics down, you can try:



## Paying yourself first

Put some money into savings before paying any bills or expenses.

Consider opening a separate bank account that's only used for savings.



## Reward yourself

Give yourself 10% of what you would've spent on purchases that you avoided.

# Dream big

**What do you want to save for?  
It's up to you.**

- A well-deserved vacation
- Your dream car
- Kids' college fund



**The sky is the  
limit!**

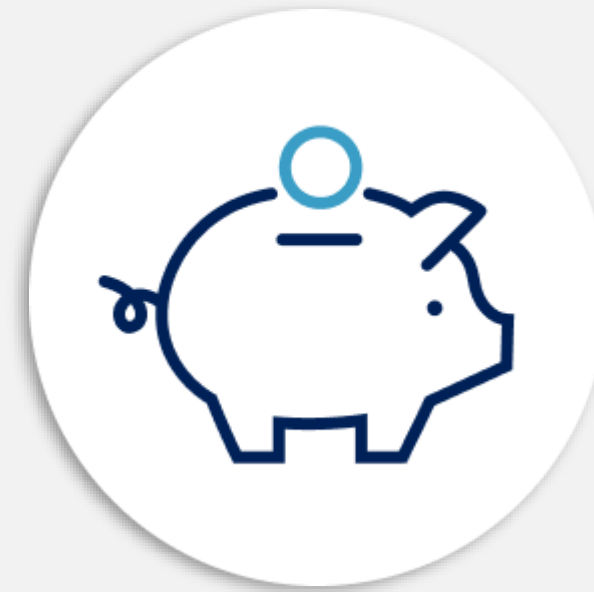
# Key takeaways

## Four core financial pillars



### Budget

Make and stick to a spending plan.



### Debt

Stop adding debt before aggressively working to pay off existing debt.



### Credit

Pay your bills on time every month.



### Savings

Keep your fundamentals going and you can save for anything.

**Each step you take helps you toward reaching your financial goals and achieving the financial security and freedom that is financial wellness**

# Financial planning



# Turns out, financial planning is for everyone

## Financial planning is for:

- Anyone in need of help prioritizing their saving and spending.
- People of all ages.
- Individuals with varying levels of financial know-how.
- Anyone looking for a comprehensive plan for short- and long-term goals.



Empower Advisory Group, LLC, a registered investment adviser, provides financial planning services using the MoneyGuidePro tool. MoneyGuidePro is not affiliated with Empower Retirement, LLC and its affiliates.

IMPORTANT: The projections or other information generated by MoneyGuidePro regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. MoneyGuidePro results may vary with each use and over time. Empower Advisory Group, LLC, a registered investment adviser, provides financial planning services using the MoneyGuidePro tool. Empower Retirement, LLC and its affiliates are not affiliated with MoneyGuidePro and is not responsible for the third-party content provided.

# What we'll help with

## Your financial planning professional will help with:

- Developing a complete household financial picture.
- Identifying and prioritizing financial goals.
- Insurance needs assessment.
- Estate and tax planning.
- Saving for education.
- Retirement savings and income strategies.



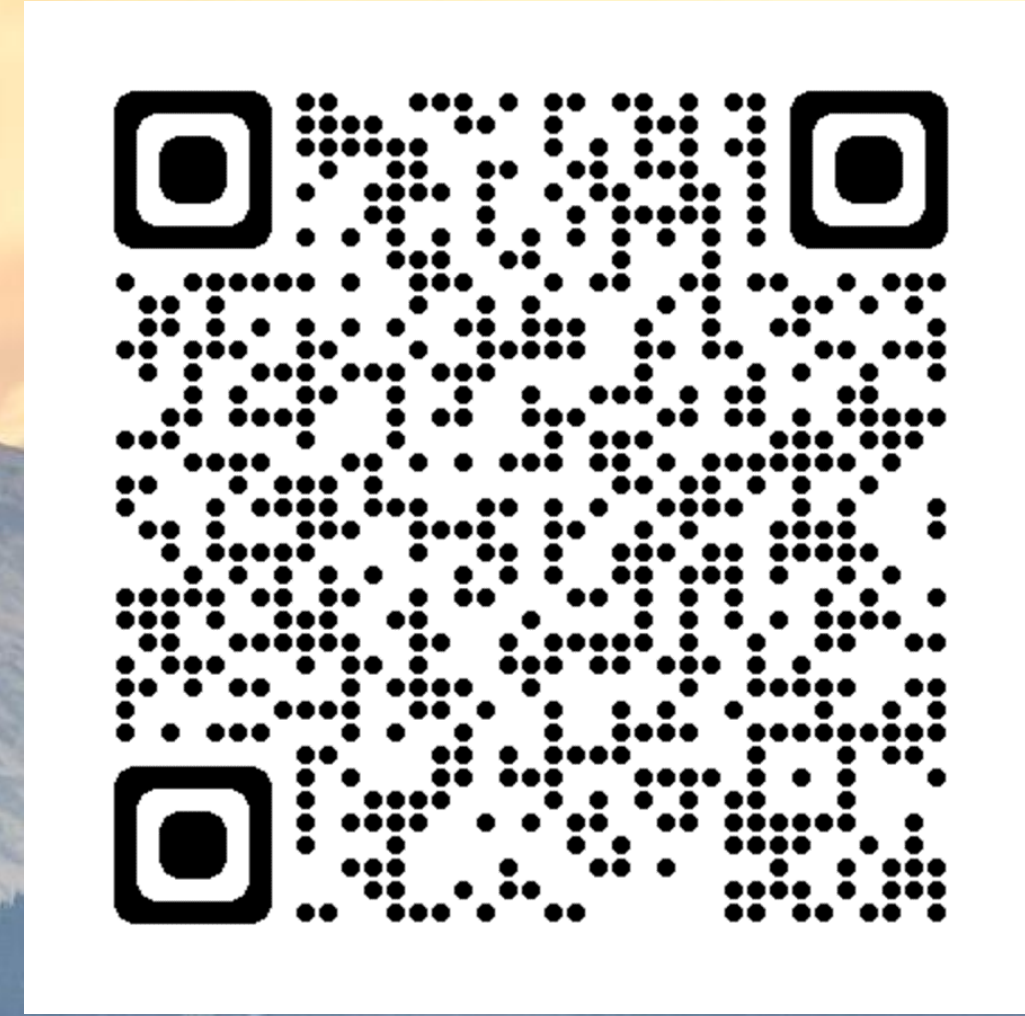
IMPORTANT: The projections or other information generated by MoneyGuidePro regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. MoneyGuidePro results may vary with each use and over time. Empower Advisory Group, LLC, a registered investment adviser, provides financial planning services using the MoneyGuidePro tool. Empower Retirement, LLC and its affiliates are not affiliated with MoneyGuidePro and is not responsible for the third-party content provided.

Empower Financial Planners

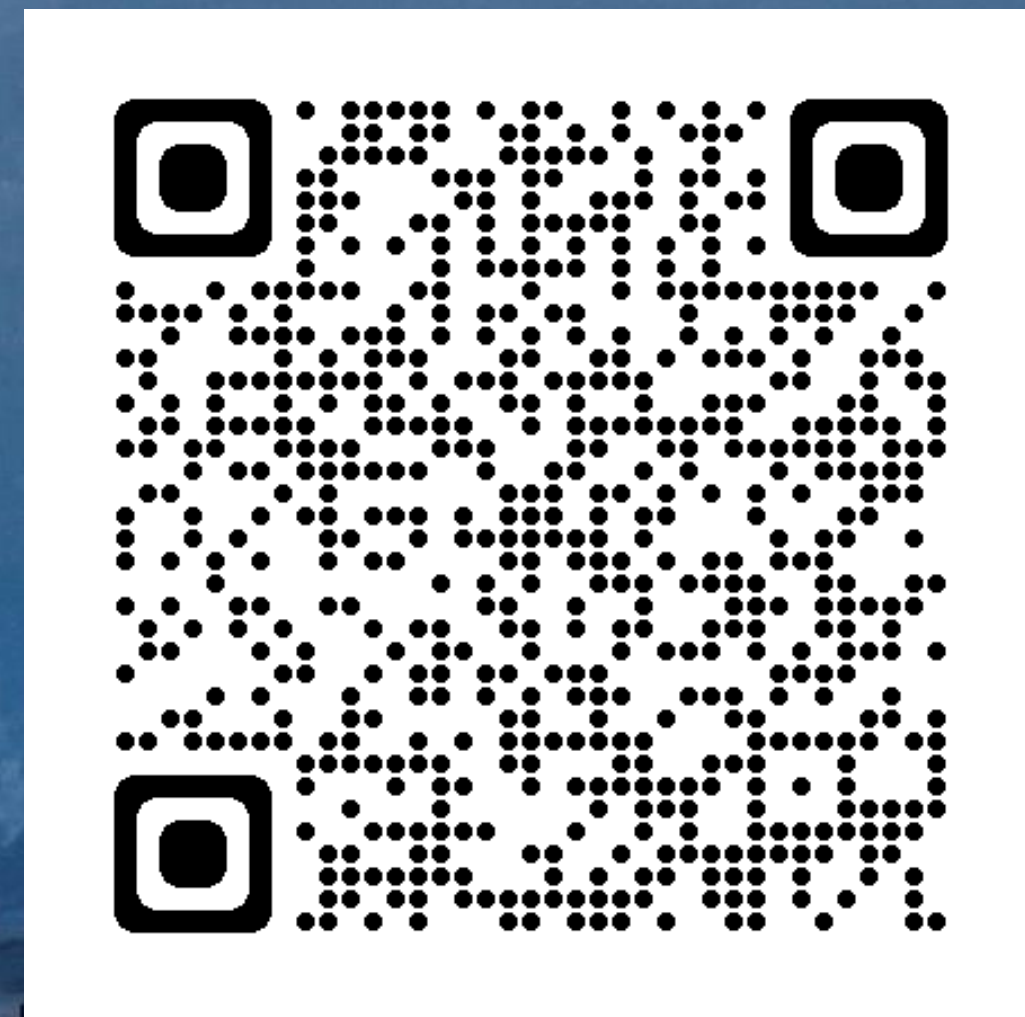
Wendy Knott, CFP®  
and Diana Law, CFP®



[seventhdayadventist.empowermytime.com](https://seventhdayadventist.empowermytime.com)



[sdaspanish.empowermytime.com](https://sdaspanish.empowermytime.com)



# Powerful features at your fingertips

## The free Empower Personal Dashboard™ helps you:

- See all your accounts in one place.
- Track, manage, and plan your financial life.
- Understand your net worth, financial goals and more.

## The Learning Center makes financial education easy through:

- Online courses, videos, and assessments.
- Articles and insights.
- Financial planning calculators.

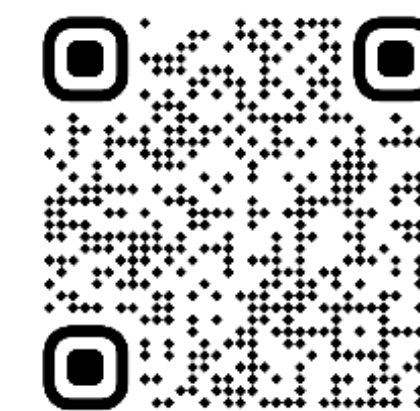
## My Financial Path helps you answer your money questions with:

- Information about spending, saving, investing, and life's big events.

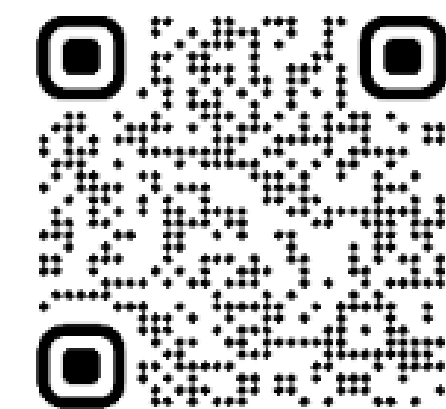
## Get a personalized action plan about your next financial step.



Download the app in the App Store<sup>®</sup> and on Google Play™.



or



FOR ILLUSTRATIVE PURPOSES ONLY.

Android, Google Play, and the Google Play logo are trademarks of Google LLC.

iOS is a registered trademark of Cisco in the U.S. and other countries and is used under license.

The App Store is a trademark of Apple Inc.

# Keeping your savings safer together

**Empower offers a Security Guarantee as part of its commitment to your account safety.**

- Register your account online
- Choose a strong username and password
- Review all security alerts immediately
- Review your accounts periodically



**PRO TIP:** Use a password manager to keep your information and passwords secure.

For more information regarding account security, including the Empower Security Guarantee, visit **empower.com** and, from the list of additional links at the bottom of the page, click *Security center*.

# RPA Disclosures

## Important information regarding your meeting with representatives of Empower

Your Empower representative is a retirement plan advisor (RPA) acting on behalf of Empower Advisory Group, LLC, (EAG) and Empower Financial Services, Inc. (EFSI). EAG is a federally registered investment adviser that provides investment advisory services to retirement plan participants and IRA accountholders nationwide. EAG's goal, through the RPAs and otherwise, is for you to leverage EAG's investment expertise to make retirement planning smarter and more accessible than ever before. EFSI is a broker-dealer registered with FINRA and the U.S. Securities and Exchange Commission. EFSI primarily provides broker-dealer services to employer-sponsored retirement plans. Both EAG and EFSI are members of the Empower Retirement family of companies.

Your RPA is authorized to act as both an investment advisor representative of EAG and a registered representative of EFSI. Your RPA acts as an EAG investment advisor representative when providing investment counseling or recommendations and as a EFSI registered representative when executing securities transactions on your behalf.

Your RPA may conduct a Retirement Readiness Review with you and educate you about available investment options and products offered by EAG. During a Retirement Readiness Review, you will meet with a plan advisor to discuss your current and future goals. Your RPA will look at your full financial picture and provide tailored recommendations in order to help you achieve your personal retirement readiness. Your RPA will assist you with learning about (and, when appropriate, enrolling in) Empower managed accounts solutions, rollovers into plan options, optimized investment allocation and savings amounts, financial planning, general financial wellness, health savings accounts (HSAs), distribution options, and additional products/ solutions offered by your plan and aligned with your needs. While basic investment strategies consider only your age, the service of your RPA includes consideration of a wide range of factors to develop a more in-depth picture of who you are before creating a strategy that best fits your individual needs. Your RPA considers your individual financial situation and goals to create a plan designed to help you reach the future you want. Your RPA, acting on behalf of EFSI, can assist you with executing securities transactions related to the recommendations they provide. There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.

The Retirement Readiness Review is provided by an Empower representative registered with Empower Financial Services, Inc. at no additional cost to participants. There is no guarantee provided by any party that use of the review will result in a profit.

Retirement plan advisors act as Empower Advisory Group, LLC, investment adviser representatives when providing investment counseling or recommendations and as Empower Financial Services, Inc. registered representatives when executing transactions.

By engaging in a dialogue with your RPA, you will receive ongoing direction and advice, including professional support through education when it comes to making important savings, investing and retirement income decisions. Although your RPA cannot provide you with advice on your tax situation, they will share information related to the potential tax implications of taking receipt of the proceeds from your retirement investments. If you feel that you need specific tax advice, please consult with your personal tax advisor.

To obtain the EAG and EFSI Form CRS, or for more information about Empower representatives, visit [empower.com](https://empower.com).

©2024 Empower Annuity Insurance Company of America. All rights reserved. RO3175294-0224



# RPC Disclosures

## Important information regarding your meeting with a retirement plan counselor (RPC) of Empower

Your Empower representative is a retirement plan counselor (RPC) acting on behalf of Empower Financial Services, Inc. (EFSI), a member of the Empower family of companies. EFSI is a broker-dealer registered with FINRA and the U.S. Securities and Exchange Commission. EFSI primarily provides broker-dealer services to employer-sponsored retirement plans. All Empower RPCs are registered representatives of EFSI.

Empower's RPC can provide information and guidance about a variety of topics, including plan enrollments, distribution and rollover options, consolidation, investment conversations, and savings and contributions strategies by educating you about available options. During your interaction with your RPC, you will engage in an informational dialogue intended to help you understand basic concepts about investing, distribution options available to you, and the advantages of participating in your employer-sponsored retirement plan or an individual retirement account. Although your RPC cannot provide you with advice on your tax situation, they will share information related to the potential tax implications of taking receipt of the proceeds from your retirement investments.

In their capacity as RPCs, the representatives may provide you with retirement counseling services that include education related to various investment options available to you and enrollment processes related to products and services offered or serviced by EFSI or its affiliates. Services provided by your RPC do not include providing securities recommendations or investment advice. If you feel that you need specific securities recommendations, investment advice or tax advice, please consult with your personal investment and/or tax advisor.

To obtain the EFSI Form CRS, or for more information about Empower representatives, visit [empower.com](https://empower.com)

©2024 Empower Annuity Insurance Company of America. All rights reserved. RO3175294-0224

## Disclosures

*Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.*

Investing involves risk, including the potential loss of principal.

**Securities, when presented, are offered and/or distributed by Empower Financial Services, Inc., Member FINRA/SIPC.** EFSI is an affiliate of Empower Retirement, LLC; Empower Funds, Inc.; and registered investment adviser Empower Advisory Group, LLC. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

The S&P 500 Index is a registered trademark of Standard & Poor's Financial Services LLC. It is an unmanaged index considered indicative of the domestic large-cap equity market and is used as a proxy for the stock market in general.

Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

iPhone, iPad, Apple, Apple Watch and App Store are trademarks of Apple Inc. Android, Google Play and the Google Play logo are trademarks of Google LLC. iOS is a registered trademark of Cisco in the U.S. and other countries and is used under license.

IMPORTANT: The projections, or other information generated on the website by the investment analysis tool regarding the likelihood of various investment outcomes, are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time.

My Financial Path includes products made available by Empower Retirement, LLC and third-party providers outside the retirement benefits provided under your plan. Inclusion of a product in My Financial Path is not an endorsement or recommendation of the product by the plan's sponsor, service providers or fiduciaries.

the retirement benefits provided under your plan. Inclusion of a product in My Financial Path is not an endorsement or recommendation of the product by the plan's sponsor, service providers or fiduciaries.

"EMPOWER" and all associated logos, and product names are trademarks of Empower Annuity Insurance Company of America.

Empower refers to the products and services offered by Empower Annuity Insurance Company of America and its subsidiaries. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

©2024 Empower Annuity Insurance Company of America. All rights reserved. RO3175294-0224

**Unless otherwise noted: Not a Deposit | Not FDIC Insured | Not Bank Guaranteed | Funds May Lose Value  
Not Insured by Any Federal Government Agency**

# Questions

Wendy Knott

Empower Financial Planner

