Retirement Planning:
An Action Plan for Women

City of St. Louis 457 Deferred Compensation Plan
Myth, perception or reality?

• Is saving for retirement different for women than men?

• What are the facts?

• If you’re in a relationship…
  — Are you an equal partner in financial decisions?
The facts: women earn less

- Women average $.77 for every $1 earned by men.¹

- Median income for women is $37,791 per year.¹

“Don’t spend time beating on a wall, hoping to transform it into a door.” - Coco Chanel

The facts: women spend less time in the workforce

• Working women are more likely than men to interrupt their careers to take care of family members.¹

• Women who interrupt their careers end up working fewer years and contributing less toward their retirement, resulting in lower lifetime savings.¹


“I want my children to have all the things I couldn't afford. Then I want to move in with them.” - Phyllis Diller
The facts: some women can lack investing confidence

• 43% of women say they don’t know if they are on course for retirement.¹

• 20% of women overall feel they are on course for a secure retirement.¹

“The future belongs to those who believe in the beauty of their dreams.” – Eleanor Roosevelt

¹ Source:
http://www.plansponsor.com/efforts_needed_to_address_womens_retirement_readiness_obstacles.aspx, November 2014
The facts: women fail to invest or don’t invest enough

- Only 45% of women (age 21 to 64) participated in a retirement plan.¹

“The dread of doing a task uses up more time and energy than doing the task itself.”
- Rita Emmett

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The facts: or women don’t invest at all

• Women are more likely to work in part-time jobs that don’t qualify for a retirement plan.\(^1\)

The facts: women have longer retirements

• On average, a female retiring at age 65 can expect to live another 20 years, 5 years longer than a man retiring at the same age.¹

Adding it up

Women may be saving less:

• Because of lower earnings.

• Because of less time in the workforce.

• Women may not be investing appropriately for their retirement income needs.

• Women may need retirement income for a longer period than men typically do.
Retirement and relationships

• How does your relationship affect the way you plan and save for retirement?

• Is one of you the designated financial decision maker?

• Do you share the same retirement income goals and risk tolerance?

• Would you know where you stand financially in the event of the death of your spouse or divorce?
Taking charge with your employer-sponsored plan

- It puts you in charge of your own retirement income.
  - It offers tax-deferred savings.
  - It’s automatic.
  - It makes retirement planning a priority.

“Focus on what is actually in your power to control today.” – Suze Orman
Personal retirement savings: why it matters

• We may need about 70% of pre-retirement income per year during retirement!\(^1\)

• Women are less often covered by private retirement plans.\(^2\)

• Women are more dependent on Social Security—for a longer period of time.\(^2\)

• Women are more likely to earn less over their lifetimes than men.\(^2\)

1 [http://www.socialsecurity.gov/planners/benefitcalculators.htm](http://www.socialsecurity.gov/planners/benefitcalculators.htm), 2015
Take the next step on your journey

• If you’re already enrolled, think about increasing your contribution.

• If you’ve been contributing for a while, take a fresh look at your investment mix.

• And remember . . .
  — It’s never too early to start.
  — It’s never too late to start.

“The question isn’t who’s going to let me; it’s who is going to stop me.” - Ayn Rand
Tools you can use

• Internet sites
• Financial articles
• Website¹
  • www.stlouis457.com
• Phone¹
  • 1-800-701-8255

¹ Access to the voice response system and/or any website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.
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