



OHIO DEFERRED COMPENSATION

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

OHIO457.ORG

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877-644-6457

A Small Increase Can Generate Big Results

A little goes a long way when saving for your retirement, and it might make a big difference if you increase your retirement contribution by a little bit more. That seems to be the trend for many people.

According to Fidelity, in the first quarter of 2019, the average contribution to retirement accounts by employees was a record and is up 15% from the year before. This is great news and indicates that Americans are headed down the right path when it comes to saving for retirement. Unfortunately, many people still aren't contributing enough and it might cost them when it comes time to retire.

It might feel impossible to contribute 15 or 20% of your salary to your retirement fund, but consider if it would be possible for your family to contribute an additional one percent of your salary to your Ohio DC account. One percent of salary for a household making \$60,000 equals \$50 per month.

Over the course of a career, that additional \$50 per month, based on a rate of return of 6% and compounding interest over 30 years, is more than \$40,000 in extra funds for retirement, which equals about \$270 in monthly retirement income.

You don't have to make huge changes to have surprisingly positive outcomes.

See if you can afford to increase your retirement contributions by visiting the Paycheck Impact Calculator at Ohio457.org. You can also schedule an annual increase to your deferrals using our SMarT Automatic Deferral Increase Plan.

To learn more about Ohio Deferred Compensation, visit Ohio457.org.