



Retirement Planning Simplified

UVA Retirement and Savings Plans

UVA Retirement and Savings Plans Structure

Part I – Employer provided mandatory retirement
Optional Retirement Plan (ORP)/Medical Center Retirement Plan (MCRP)

Or

Virginia Retirement System (VRS)

Part II – Employee supplemental savings

403(b) Plan

And/or

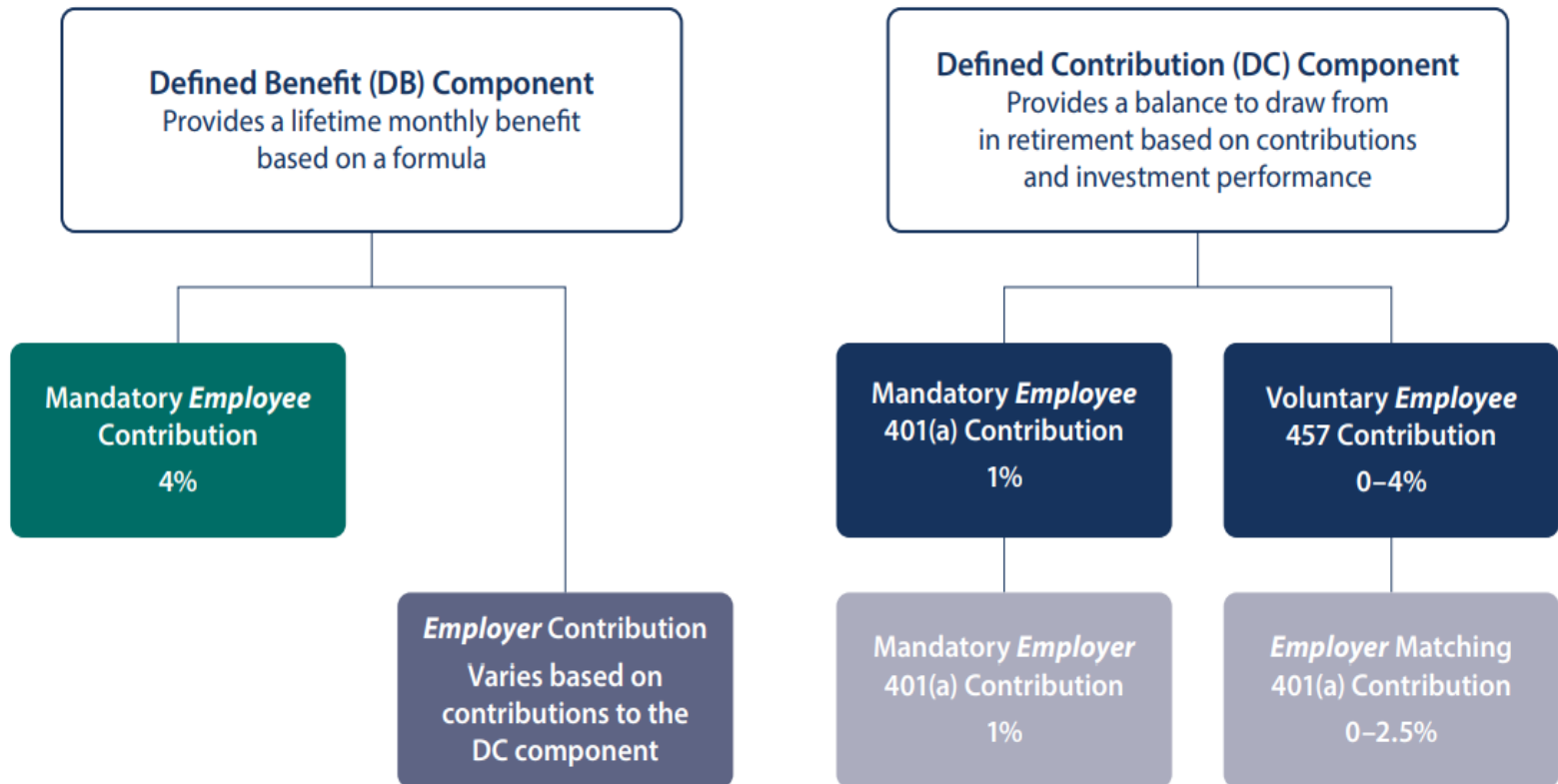
Commonwealth of Virginia 457 Plan

Plus

UVA Cash Match

VRS Hybrid Plan

Hybrid Retirement Plan



UVA Retirement and Savings Plans

Tier 1 – “Do it for me”

Target Date Funds

Tier 2 – “Help me do it”

Cost-conscious options

Index investor

Tier 3 – Expanded Choice

Ultimate choice investor (brokerage window)

Select actively managed funds (have met policy guidelines)

Benefits of Saving at Work

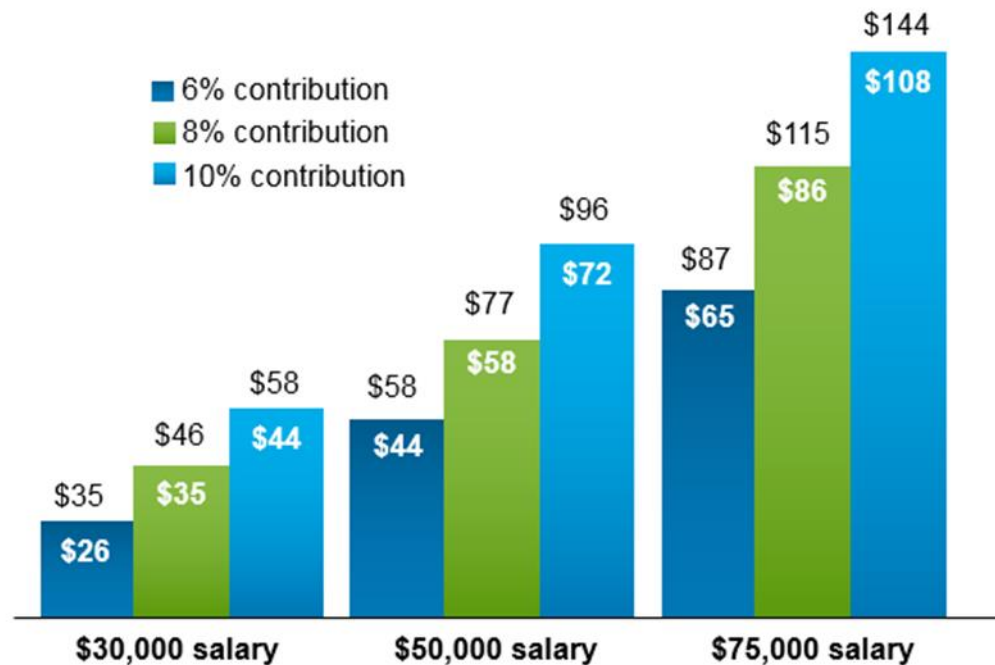
UVA Savings Plan is hard to beat

- Ease and convenience
- Investment choice
- Potentially lowers taxable income
- Tax-deferred growth
- Roth after-tax contributions
- Compounded growth potential

Benefits of Saving at Work

Contributions made Before Taxes

The net effect on take-home pay

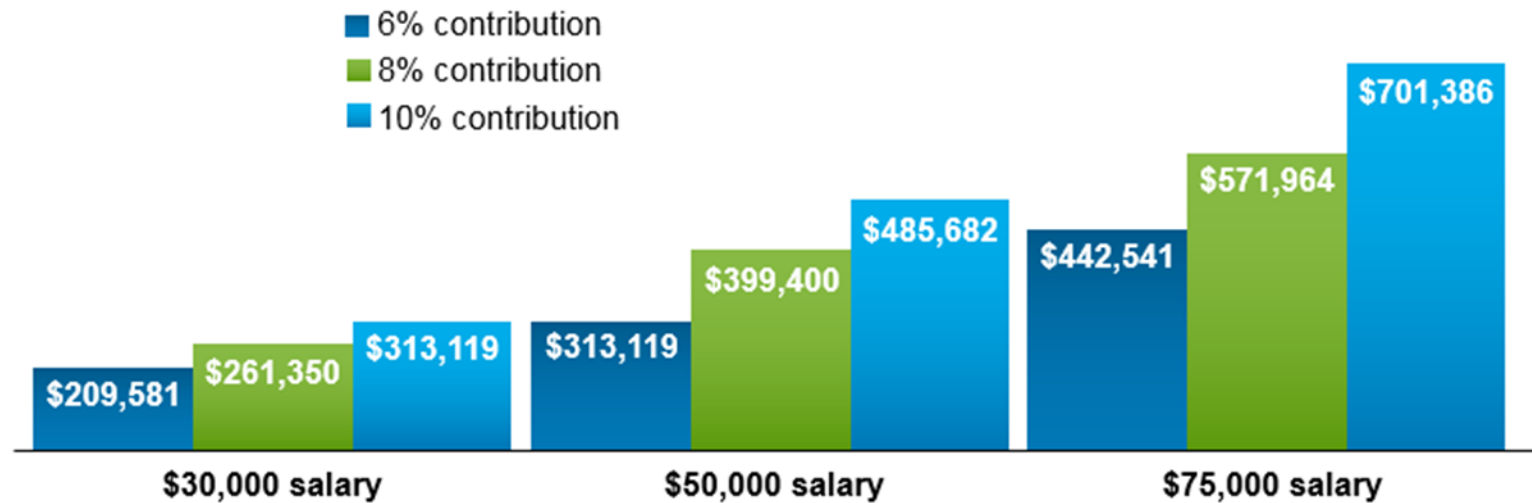


This hypothetical example assumes a \$30,000, \$50,000, and \$75,000 annual salary; filing single at a 25% federal income tax rate on the take-home-pay chart; state and local taxes are not included. The weekly contribution to your account is a tax-deferred contribution; income taxes will be due when you withdraw from the account.

Benefits of Saving at Work

Invest now, thank yourself later

Growth of investment over 25 years



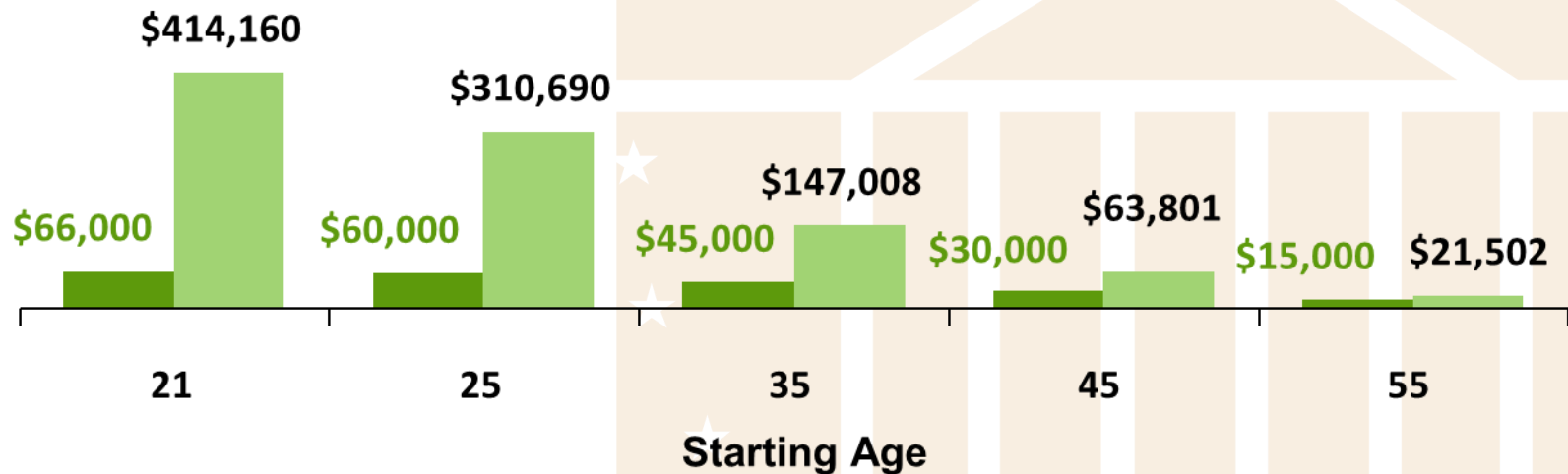
This hypothetical example assumes a beginning plan account balance of \$10,000; starting annual gross salary of \$30,000, 50,000 and 75,000; salary increase of 3% each year; pre-tax contributions of 6%, 8% and 10% of salary every week for 25 years and an effective annual rate of return of 7%. The ending values do not reflect taxes, fees or inflation. If they did, amounts would be lower. Earnings and pre-tax contributions are subject to taxes when withdrawn. Distributions before age 59 1/2 may also be subject to a 10% penalty. Contribution amounts are subject to IRS and Plan limits. This example is for illustrative purposes only and does not represent the performance of any security. Individuals may earn more or less than this example. Investing on a regular basis does not ensure a profit or guarantee against a loss in a declining market.

Benefits of Saving at Work

Power of Compounding

Potential account balance at age 65 if participant invested \$125/month starting at various ages:

- Participant contributions
- Participant contributions with the benefit of tax-deferred growth



This hypothetical example assumes a beginning plan account balance of \$0; pre-tax contributions of \$125.00 every month beginning at the age shown above until age 65 and an effective annual rate of return of 7%. The ending values do not reflect taxes, fees or inflation. If they did, amounts would be lower. Earnings and pre-tax contributions are subject to taxes when withdrawn. Distributions before age 59 1/2 may also be subject to a 10% penalty. Contribution amounts are subject to IRS and Plan limits. This example is for illustrative purposes only and does not represent the performance of any security. Individuals may earn more or less than this example. Investing on a regular basis does not ensure a profit or guarantee against a loss in a declining market.

Benefits of Saving at Work

Tax-deferred accounts (403(b), 457)

Pretax contributions

Tax-deferred growth opportunity

2023 limit: \$22,500

2023 limit, if over age 50: \$30,000

Roth after-tax (403(b), 457)

IRA Income limits not applicable

After-tax contributions

Tax-free growth opportunity

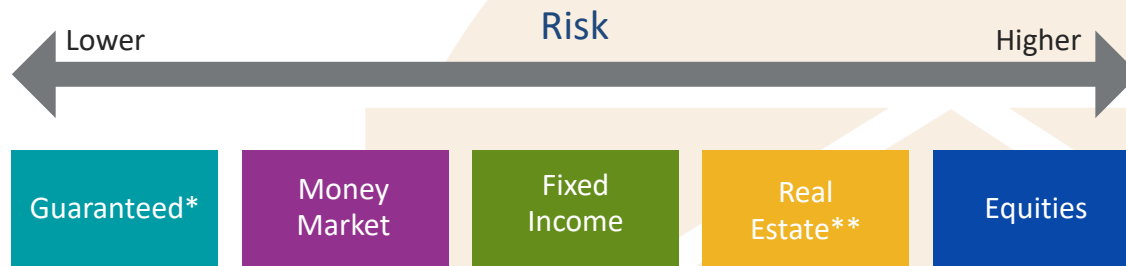
Choosing Your Investments

Fundamentals of Investing

- Asset allocation
- Investment types
- Diversification
- Rebalancing

Choosing Your Investments

Investment Types and the role they play



★ Asset classes

Guaranteed

★ Money market

★ Fixed income

★ Real estate

★ Stocks (a.k.a. equities)

Choosing Your Investments

Portfolio Rebalancing

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 1.46%
Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Large-Cap Value -7.54%
Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Mid-Cap Value -12.03%
Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 8.28%	Large-Cap Value 25.16%	Fixed Income -13.01%
International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Value 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	International Equities -14.01%
Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.66%	Mid-Cap Value 4.96%	International Equities 11.78%	Small-Cap Value -14.48%
Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Small-Cap Growth -26.36%
Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Mid-Cap Growth -26.72%
Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.36%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Large-Cap Growth -29.14%

- Small-Cap Value Stocks (Russell 2000 Value)
- Small-Cap Growth Stocks (Russell 2000 Growth)
- Large-Cap Growth Stocks (Russell 1000 Growth)
- Large-Cap Value Stocks (Russell 1000 Value)
- Mid-Cap Growth Stocks (Russell Mid-Cap Growth)
- Mid-Cap Value Stocks (Russell Mid-Cap Value)
- International Equities (MSCI EAFE)
- Fixed Income (Bloomberg U.S. Aggregate Bond)
- Cash (Merrill Lynch 3-Month Treasury Bill)

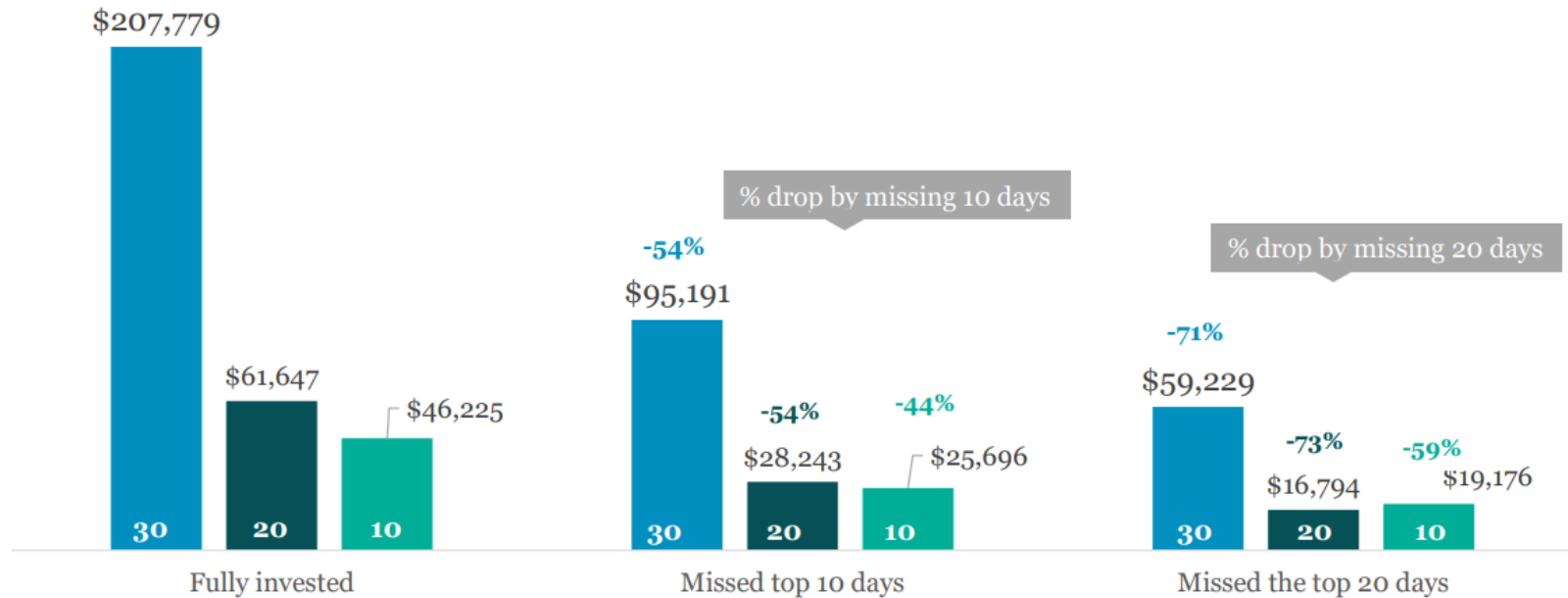
Source: Morningstar, Inc., Bloomberg, Mobius

Choosing Your Investments

Portfolio Rebalancing

Missing out on the market's top-performing days can have a significant impact

Growth of \$10,000 in the S&P 500® Index over 10-, 20- and 30-year time periods



Next Steps

Make savings a priority

- Enroll now
- Meet your vendor representative
- Hoo's Well Financial Wellness

Next Steps

Enroll now – Workday

Announcements
2 Items

Veteran Status and Disability Status Self Identificat...
As an equal opportunity employer, the University of Virginia peri...

UPDATE YOUR CONTACT INFORMATION
Please Update Your Contact Information in Workday
The Workday Team is excited to announce that your contact inf...

Applications
10 Items

Compensation **Benefits** Personal Information Pay

Time Absence Learning Talent

Change

Benefits

Beneficiaries

Dependents

Before You Begin:

Review [Change Benefits job aids](#)

Review the [Workday 101 Change Benefits](#) video

If you need assistance, please contact the Solution Center at AskHR@virginia.edu or 434-243-3344.

- Benefit Event Type
- * Birth/Adoption/Legal Guardianship
 - Change HSA
 - Change Life Insurance
 - Divorce
 - Marriage
 - Morrison's Meal Plan Change (MC Only)
 - Retirement Savings Change - Self Service
 - Spouse/Dependent Losses/Gains Other Coverage

Next Steps

Meet Your Vendor Representative

- one on one appointments
- review plan's features and benefits
- assistance with enrollment, investment education and account consolidation
- assistance with more complex needs including multi-goal and retirement income planning and investment management

