



## Pay Yourself First

Three basic components are needed to complete your retirement picture: Social Security, Personal Savings, and Your Employer's Retirement Savings Plan. Social Security and personal savings typically provide only a limited portion of your retirement income. Your employer retirement plan is perhaps the most important aspect of your retirement picture.

The 5.5 percent contribution The Navigators puts into your 401(a) Basic Retirement Plan is a big step toward helping you save for retirement, but it's not enough. The 403(b) Supplemental Plan is a great savings vehicle to help you attain your goals by providing convenience, tax advantages, and growth potential. Some examples are:

- By using the payroll deduction plan, you save before spending a cent of your paycheck.
- You can either take a tax break now or, if using the Roth option, pay taxes now and let the earnings grow tax-free.
- Your savings compound over time.

Give it a try. Pay yourself first! Get started by determining the most you can comfortably save. Set up a payroll deduction so the money is automatically deducted from your paycheck and deposited into your plan account. Then give yourself a one percent pay raise each year, make it your goal to increase your contributions annually up to about 10 percent of your salary.

### Remember these important points:

- Regular 403(b) contributions go into your plan account before federal taxes are deducted from your paycheck, so your federal taxable income is lower. If you use the Roth 403(b), you'll pay the taxes up front and your earnings will grow tax-free. When you withdraw the money from a Roth, you will pay no taxes on the earnings.
- All investment earnings grow free from annual taxes in that you don't pay taxes while your account grows—only when you withdraw the money. When you make withdrawals during retirement, presumably your income tax rate will be lower than during your working years.
- Year after year, your investment in the plan earns interest. That interest then earns more interest, and so on. Compounding interest is a money saver's best friend! Go to [www.fidelity.com/atwork](http://www.fidelity.com/atwork) and increase your retirement contribution today.

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