



moneyadvice@work 

- Independent Investment Advisor
- Fiduciary Education and Advice Services
- No Sales, No Hidden Fees
- Service Provided as a Cardinal At Work Retirement Savings Benefit


Cardinal at Work Retirement Savings Benefits





Make Your Savings Grow

- Understand the basics of investing
- Identify cost of investing
- Choose your investment platform




Make Your Savings Grow

- Understand the basics of investing


Investment 101

Your portfolio is...

*A collection of **assets** purchased today with the expectation of selling them in the future for a profit.*



Stocks

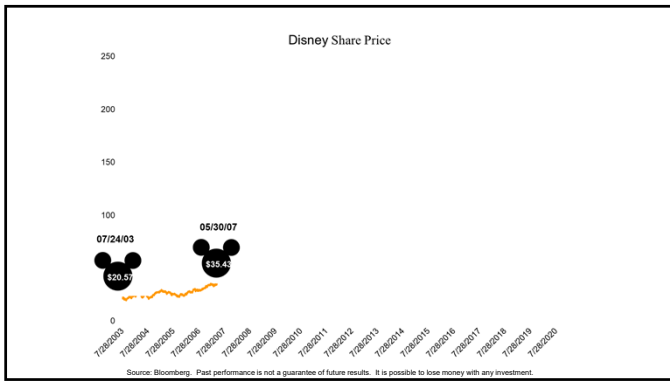


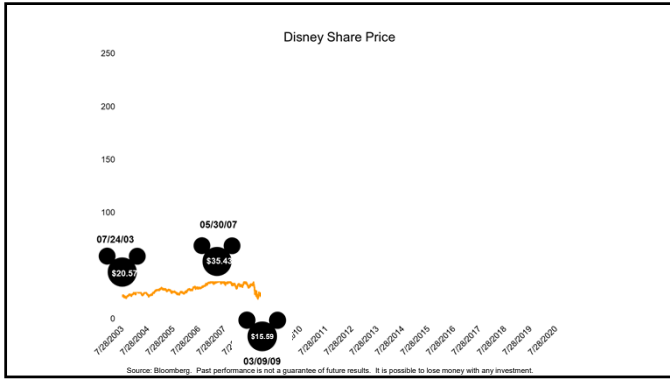
Bonds

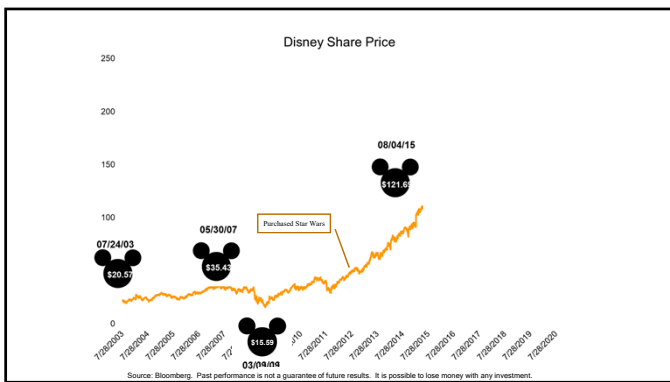
Past performance is not a guarantee of future results. It is possible to lose money with any investment.

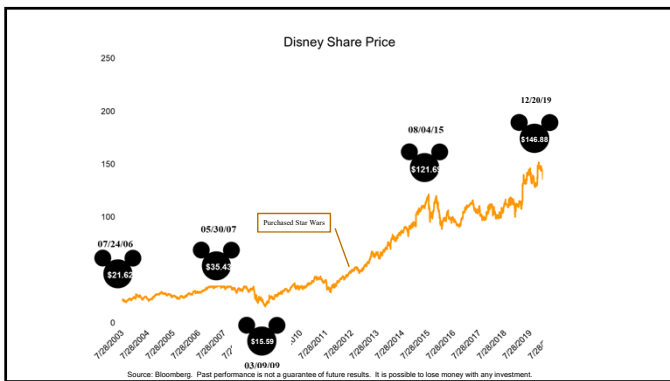


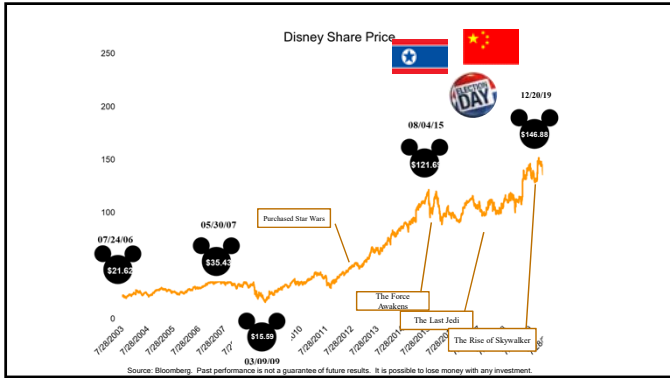


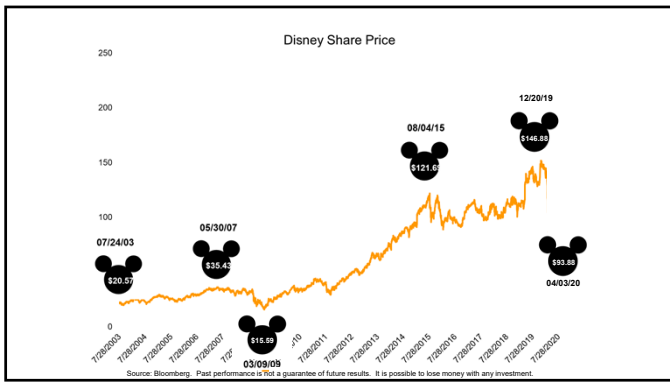


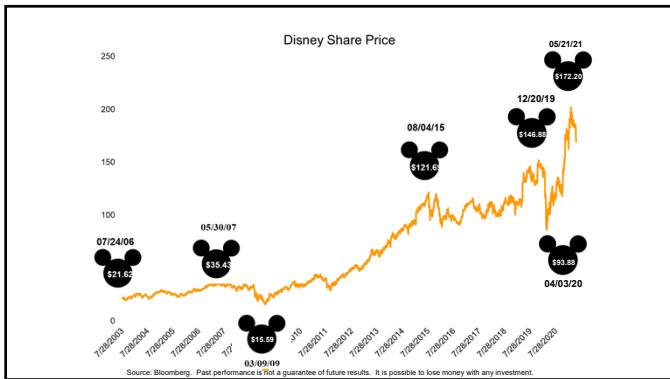














Buy a bond earning 3% annually,
Matures in 10 years, face value
of \$1,000.
Receive \$30 annually.

3%



Bonds



Buying a new bond earning 4%
annually, matures in 10 years,
face value \$1,000.
Receive \$40 annually.

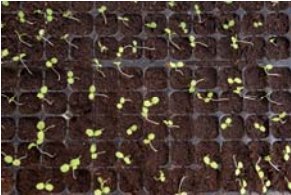
3%

4%



Bonds

Investment 101



Mutual Funds

- Your money is combined with other investors
- Mutual fund managers pick the stocks and bonds

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Investment 101



Stocks


8% expected long-term rate of return



Bonds / MM

3% expected long-term rate of return

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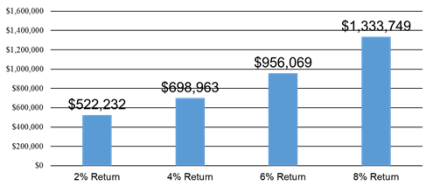


Meet Jada

- Age 35
- Earns \$60,000 annually
- Plans to work to age 65
- Will save 4% and earn 5% match plus the 5% basic contribution

What could be waiting for her?

Value at age 65 at varying potential rates of return



Return Rate	Value at Age 65
2% Return	\$522,232
4% Return	\$698,963
6% Return	\$956,069
8% Return	\$1,333,749

For illustration purposes only. Past performance is not a guarantee of future results. It is possible to lose money with any investment.

Investment 101

Value typically declines 1 out of every 4 years.

Stocks	Bonds / MM
8% expected long-term rate of return	3% expected long-term rate of return

Past performance is not a guarantee of future results. It is possible to lose money with any investment.

Investment 101

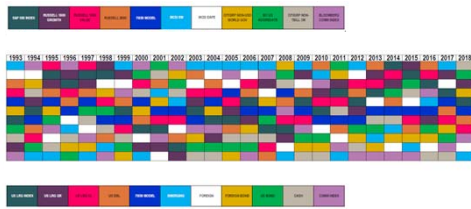
Stocks	Bonds / MM
90%	10%
80%	20%
70%	30%
60%	40%
50%	50%
40%	60%
30%	70%

Downshift as you near retirement

Differing Funds Provide Balance

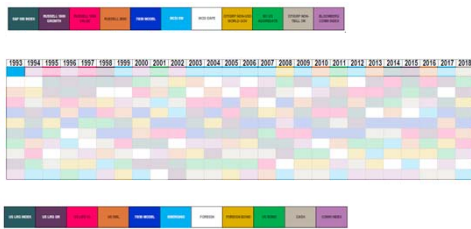


Asset class return rankings



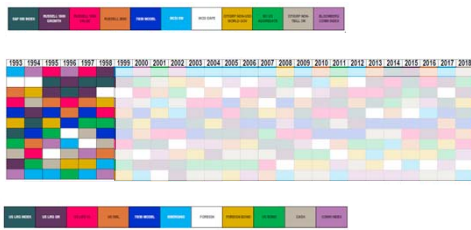
Source: Morningstar. As investment returns are variable, we cannot guarantee any certain investment return or result. Past performance is not a guarantee of future results.

Asset class return rankings



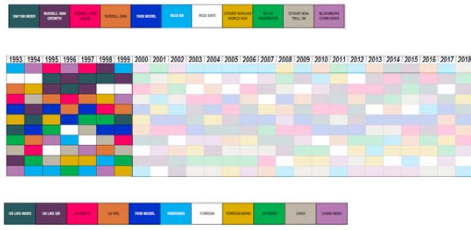
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Asset class return rankings



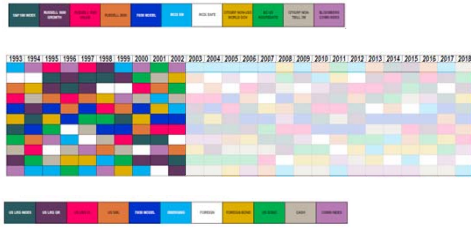
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Asset class return rankings



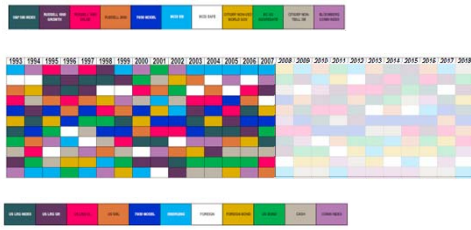
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Asset class return rankings



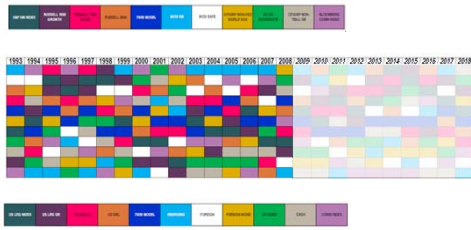
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Asset class return rankings



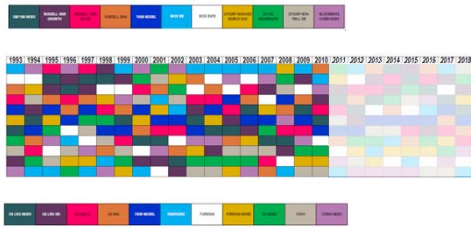
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Asset class return rankings



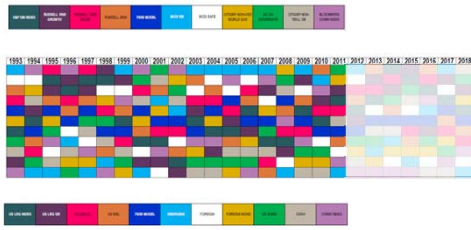
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Asset class return rankings



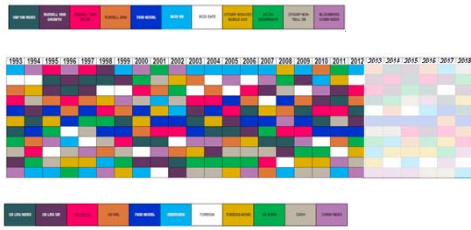
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Asset class return rankings

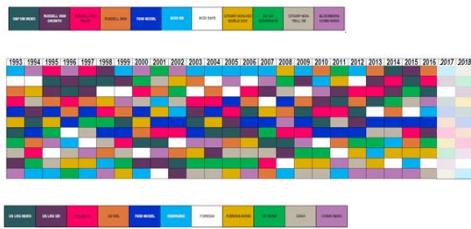


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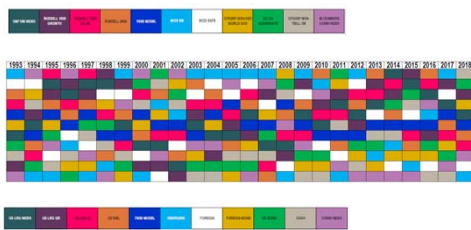
Asset class return rankings



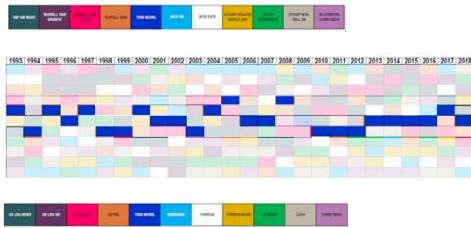
Asset class return rankings



Asset class return rankings



Asset class return rankings



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Make Your Savings Grow

- Understand the basics of investing
- Identify cost of investing

*See the plan's Summary Plan Description for details.

Understanding Mutual Fund Fees

The Effect of Expense Ratios on Return

Market = 8%

Fund #3

Fund #2

Fund #1

Market 8.00%

See fee information here: <https://cardinalinkworkstanford.edu/benefits/rewards/retirement/tanford-contributory-retirement-plan/investments/fees-and-expenses-disclosure>

Understanding Mutual Fund Fees

The Effect of Expense Ratios on Return

Market = 8% Fund 1 = 0.50%



See fee information here: <https://cardinalnetwork.tanford.edu/benefits/rewards/retirement/tanford-contributory-retirement-plan/investments/fees-and-expenses-06-2019>

Can it be done cheaper? Large US Companies



Sample of S&P 500 Companies

Option 1 – Pay an active manager to pick the best!



For illustration purposes only – Not a recommendation.

Option 2 – Pay an index (passive) manager much less to buy the whole market!



Sample of S&P 500 Companies – Not a recommendation

Understanding Mutual Fund Fees

The Effect of Expense Ratios on Return

Market = 8% Fund 1 = 0.50% Fund 2 = 0.09%



See fee information here: <https://cardinalatwork.tanford.edu/benefits-rewards/retirement/tanford-contributory-retirement-plan/investments/fees-and-expenses-disclosure>

Understanding Mutual Fund Fees

The Effect of Expense Ratios on Return

Market = 8% Fund 1 = 0.50% Fund 2 = 0.09% Fund 3 = 0.06%



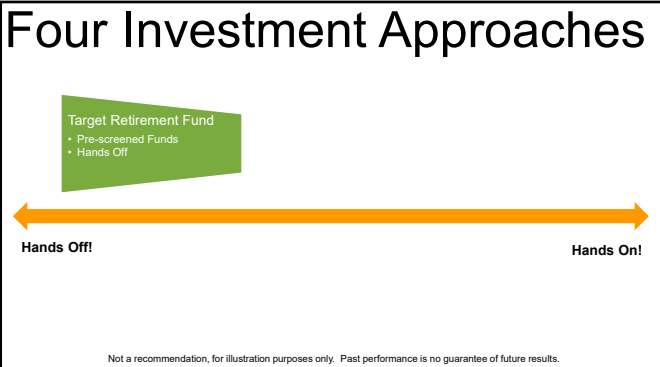
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Four Investment Approaches




Target Retirement Fund

- Pre-screened Funds
- Hands Off

Hands Off! Hands On!

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“Do it for me!”



Target Retirement Date Funds

- Pre-mixed portfolio of Vanguard* funds
- You invest in the fund with the date closest to your target retirement date
- Fund becomes more conservative over time

*Will change to Fidelity as of December 2, 2021.

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Four Investment Approaches



“Take the risk for me!”

- Good for investors with a low risk tolerance
- Limited liquidity results in limited investment flexibility
- May include additional fees

*All guarantees are based on TIAA's claims-paying ability. TIAA Traditional is a guaranteed insurance contract and not an investment for federal securities law purposes. Past performance is no guarantee of future results.
