State of Indiana

S.T.A.R.T.® SMART

Summer 2010

HOOSIER S.T.A.R.T.

SAVE TODAY AND RETIRE TOMORROW®

REAL FUNDS.
REAL PEOPLE.
REAL IMPORTANT.

Meet the faces behind your Hoosier S.T.A.R.T. investments.

Hoosier S.T.A.R.T. and Tim Berry, State Auditor, cordially invite you to the third annual complimentary educational dinner event open to all participants of the Hoosier S.T.A.R.T. Retirement Plan.

This year's dinner event will focus on:

- the investments that make up the Hoosier S.T.A.R.T. portfolio;
- how they are selected; and
- the strategy behind each fund.

A representative of Capital Cities, LLC, the investment consultant to the Hoosier S.T.A.R.T. Plan's Investment Committee, will be the featured speaker for the evening. Have you ever wondered how the Hoosier S.T.A.R.T. investment portfolio is constructed? Do you want a better understanding of the investments in Hoosier S.T.A.R.T. and what they mean to you? If so, then this event is tailored for you.

For past events we have brought in speakers to focus on financial planning. This year we want to focus on the retirement Plan itself. Please join us for an educational evening that will provide you with a better understanding of just what makes up the Hoosier S.T.A.R.T. Deferred Compensation Plan.

Space is limited, so go to www.hoosierstart.in.gov as soon as possible to register for the event most convenient for you. Each dinner event is held 5:00 p.m. to 8:00 p.m. local time.

Henryville: October 6, 2010
Evansville: October 7, 2010
Indianapolis: October 14, 2010
Merrillville: October 20, 2010
Fort Wayne: October 21, 2010

For questions or help registering, please contact Liz Graves with VMS at (317) 805-6600, ext. 374, or via e-mail at liz.graves@vmsbiomarketing.com. ■

Clean Up Your Credit

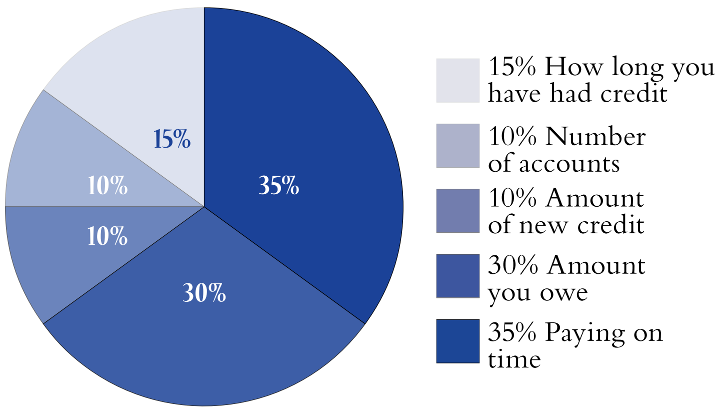
Are your debts in good standing?

Your credit history affects a number of aspects of your life, from getting a mortgage to the rate you pay on a new car loan—possibly even a prospective employer's opinion of you. Each year, you're entitled to a free credit report from each of the three major credit bureaus: Equifax, Experian and TransUnion. For a small fee, you can request your credit score, a three-digit number that reflects how responsible you are as a borrower.

Credit scores range from 300 to 850. Your score could mean the difference between a larger and a smaller monthly payment on a new loan, so pay attention to it. Paying all your bills on time and keeping your credit card balances low are steps you can take to improve your score. If you're having trouble paying bills, ask your creditor if you can work out a payment plan.

How Your Score Is Calculated

The following chart shows the components of a credit score. You'll notice that timely payments and the size of your balances count the most. ■



Source: myfico.com, February 2010. Great-West Retirement Services® is not responsible for, nor does it endorse the content contained in the additional website provided. This website is for general education and information only and is provided as a benefit to the users of the site.

Paper Work

Thanks to online banking, there are fewer financial documents you need to file. Here's a list of what you should keep and for how long.

Tax returns. Generally, the IRS has up to three years to challenge a return. Please consult your financial or tax advisor regarding your retention of your income tax returns.

Retirement account statements. Hold on to annual statements until you retire or close the account.

Bills and receipts. Keep records of major purchases indefinitely to support insurance claims if items are lost or stolen.

House records. If you sell, you'll need papers documenting the purchase price and improvements to establish the cost of the house for tax purposes.[3] ■

Spruce Up Your Finances

A plan to help you save more

In a recent AARP survey, nearly 20% of Americans age 45 or older said they had prematurely withdrawn funds from their workplace retirement savings accounts and IRAs in 2009.[1] Read on to find out what you can do to help keep your nest egg growing.

1 Get rid of credit-card debt

The sooner you eliminate outstanding balances, the less interest you'll have to pay to your lenders. You might consider using a home equity line of credit or another low-interest rate loan to pay off these high-interest debts.

2 Save for emergencies

A good rule of thumb is to accumulate three to six months' worth of day-to-day expenses in an easily accessible account, such as a money market account. If you're worried about losing your job, consider making eight months' worth your goal.

3 Boost retirement contributions

Increasing contributions to your workplace retirement savings account by one percentage point each year can have a dramatic impact on its growth. Let's say you earn $50,000 a year and you start contributing 1% of that salary to the Hoosier S.T.A.R.T. 457 Plan now. If you increase your contributions by one percentage point each year thereafter for 20 years, your account could grow to $255,173.[2]

In today's challenging economy, it pays to manage your money wisely. ■

1 aarp.org, February 2010. Great-West Retirement Services® is not responsible for, nor does it endorse the content contained in the additional website provided. This website is for general education and information only and is provided as a benefit to the users of this site.
2 FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not represent the performance of any investment options. It assumes a $50,000 beginning salary with 3% annual raises, a 7% annual rate of return, reinvestment of earnings, with no withdrawals. Rates of return may vary. The illustration does not reflect any charges, expenses or fees that may be associated with your Plan. The tax-deferred accumulation shown above would be reduced if these fees had been deducted. It does not take into account an employer match.
3 irs.gov

Please note: This newsletter does not constitute investment or financial planning advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

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