MO DEFERRED COMP

SIMPLY PUT

Retirement Savings Education, Simplified · Fourth Quarter 2026 Newsletter

New Saver's Match Could Boost Your Retirement Savings

Starting in 2027, eligible retirement savers could **receive up to $1,000 a year** from the federal government through the new Saver's Match program. The benefit matches up to 50% of the first $2,000 contributed to an eligible retirement account, with eligibility based on income and other IRS requirements.

SCAN ME!

Scan the QR code or visit deferred comp's website to learn more about how the Saver's Match works, who qualifies and how to claim it.

Photo from the Road

Financial Education Professional Tammara Carter presents a prize to Nicholas Y., a lucky winner of our Retirement and Savings Survey drawing. Congratulations, Nicholas!



[1]MO Deferred Comp, 2026 Retirement and Savings Surveys. [2] Pew Research Center, Parents, Young Adult Children and the Transition to Adulthood, January 2024. [3]AARP Research, 2026 AARP Caregiving Out-of-Pocket Costs Study, October 2026.



THE FAMILY FACTOR

Supporting Loved Ones in Retirement

When you think about retirement, you probably picture how you will spend your time and money. But what if your retirement savings need to support more than just you?

Helping an adult child pay bills, caring for an aging parent, or contributing to a grandchild's education can all affect your financial future. According to MO Deferred Comp's recent Retirement and Savings Surveys, many state of Missouri employees are already expecting it.

More Than Just Your Retirement

When asked how likely they were to financially support family members during retirement, younger and older employees answered quite differently. Among active employees age 35 and under, **61% of Awareness Survey[1] respondents said they were very or somewhat likely to provide financial support**, compared with 41% of Readiness Survey[1] respondents, who were active employees age 36 and older.

These expectations aren't unique to Missouri. A 2024 Pew Research Center study found that **59% of parents with children ages 18–34 provided financial assistance in the past year.[2]** Of those, 36% said it negatively affected their finances.[2]

And it's not just younger generations who need help. **A 2026 AARP report found that family caregivers spend an average of $11,508 annually out of pocket caring for loved ones.[3]**

The takeaway? Family support is a financial responsibility worth considering when planning for retirement.

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The Hidden Cost of Helping Family

Helping loved ones is rewarding, but it can come at a cost, especially during retirement. **Money withdrawn from retirement accounts to cover family expenses is no longer available for your own needs.** Depending on the account and circumstances, withdrawals may also increase your taxable income or require selling investments during a market downturn. With healthcare costs and other expenses continuing into retirement, your savings may need to stretch further than you think.

Plan for Your Family AND Your Future

You don't have to choose between helping family and protecting your retirement, you can do both:

- **Save with family in mind.** If you expect to provide financial support, consider increasing your retirement contributions now.
- **Set a family budget.** Decide how much you can realistically afford to give without affecting your own financial security.
- **Talk about expectations.** Discuss potential financial needs with family members before an emergency arises.
- **Protect your savings.** Maintain an emergency fund and avoid dipping into retirement accounts whenever possible.

Take Care of Your Future, Too

Supporting the people you love is important, but so is making sure you have enough to support yourself.

Whether retirement is decades away or right around the corner, now is a good time to review your savings. MO Deferred Comp's **Savings-to-Income Calculator** can help you estimate how your retirement savings could translate into monthly income and whether you're on track to meet your goals.

The better prepared you are for retirement, the better positioned you'll be to help those who matter most.



Contribution Limits Increase for 2027

Good news for retirement savers! The federal government has increased retirement plan contribution limits for 2027, including those for the MO Deferred Comp Plan. These higher limits give you the opportunity to save more now and potentially build more retirement income for the future.

Contribution Limit	2027	2026
Standard (Under Age 50)	**$25,500**	**$24,500**
Age 50+ Catch-Up	**$8,500** ($34,000 total)	**$8,000** ($32,500 total)
Age 60-63 Catch-Up	**$11,750** ($37,250 total)	**$11,250** ($35,750 total)
Pre-Retirement Catch-Up	**$25,500** ($51,000 total)	**$24,500** ($49,000 total)