

Choose Your Future **TODAY**

Ages and Stages:


How to Save For Retirement at Any Age



Retirement is expensive. According to the Department of Labor, you will need 70% to 90% of your pre-retirement income when you retire. Where will that post-retirement “paycheck” come from? One way to find out if you are on track is to log into your account at www.tri-ad.com to use the Retirement Savings Calculator.

Saving While You Are Young

If you are under 30 years of age, you may be enjoying having your first full-time job and your life as an adult. It is the time to begin preparing for your future. The more you can save now, the more you will have in your retirement. Since you are already enrolled in your employer’s retirement savings plan, you know that the automatic deductions make the savings process automatic and simple. Now is the time to develop good financial habits by making savings a priority. Under IRS rules, you may defer up to \$17,500 of your income per year in your 401(k)/403(b) plan. If this is more than you can invest now, save what you can, and then a little bit more, for a secure retirement. Use the “Where Will You Find the Money?” tool on TRI-AD’s website to help you with savings ideas.


 **Investment Tip:** Since you are young, you can be more aggressive because you are investing for the long-term.



Keeping Retirement Savings a Priority

In your 30s or 40s, your income may be higher, but you may have a family, a mortgage, and the costs associated with both. Life is expensive, but it is still important for you to save for your future. If you didn’t save enough during your 20s, you need to save even more now. It may seem difficult with your everyday expenses, but you can still take advantage of deferred taxes when you increase your contribution to your company’s 401(k)/403(b) plan. Be sure you have built your retirement savings into your monthly budget before setting aside savings for other important items such as children’s college expenses. Your deferral limit is \$17,500 in 2014.




 **Investment Tip:** If your company has a Target Date Fund to help you manage the risk in your investments, consider using it. But remember, the biggest factor in your long-term savings is how much you set aside each month.

Getting Close to Retirement: Are You Ready?

If you are in your 50s or 60s, retirement will be here soon! If you have been saving the maximum allowable amount, you are probably on track to a secure retirement. If you have not saved enough, you may now take advantage of the “Catch-up” contribution, allowing you to defer an additional \$5,500 per year, for an annual total of \$23,000 per year in 2014. To find the additional money you need to get

closer to the maximum deferral amount, take time to reexamine your monthly budget to make sure retirement savings is a top priority. Then look for ways to cut your expenses or increase your income.

 **Investment Tip:** You can consider postponing retirement for a few years or having a higher level of risk in your investment portfolio to seek higher returns. Always consult your qualified investment advisor before making a big change in your investment portfolio.



Target Date Funds: Increase Savings, Decrease Risk

One popular choice to simplify investment decisions is a Target Date Fund. These funds shift your investments from stocks into more conservative options as you grow older, to reduce your risks of losses close to retirement. The investment mix changes automatically over time, so you can leave the work to the Target Date Fund Manager. Check your company’s 401(k)/403(b) plan’s investment line-up to see if they offer a Target Date Fund.



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