

RESOLVE to get ready for RETIREMENT

IT'S NEVER TOO EARLY OR TOO LATE

Whether you are in your 30s, 40s, 50s, or even your 60s, plan for your retirement. Research shows that people who think about and plan for retirement save more than those who don't.

Action Step

Make an appointment with a financial planner at work or on your own to discuss retirement saving options that best meet your needs.

FIGURE OUT HOW MUCH YOU'LL NEED

According to the Employee Benefit Research Institute, 56 percent of workers have no idea how much they need to save for retirement. On average, people need at least 70 percent of their yearly pre-retirement income. This can vary, depending on your age and needs. You will need more if you need to pay for your medical care. To estimate how much you might need, use a tool at www.choosetosave.org/ballpark. Other calculators to help you plan can be found at www.choosetosave.org/calculators.

Include estimates for health care and other costs, such as a new car and home repairs. {Note: It will be easier to get a car loan if you buy the car while you are still employed.}

Total monthly income needed:
\$ _____

ADD UP ALL SOURCES OF MONTHLY INCOME

- Social Security. Find out how much you will get, monthly, from the Social Security. This depends on your work history and if you choose to start getting benefits at age 62 or your full retirement age (65, 66, or 67) or wait until age 70. A yearly statement mailed to you gives this information. Or, find out from Social Security benefit calculators at www.socialsecurity.gov/retire2/index.htm and www.socialsecurity.gov/planners/index.htm#a0=1. Do the same for a partner who will also receive Social Security benefits. In general, the amount you receive for Social Security retirement accounts for about 40 percent of your pre-retirement earnings. \$ _____
- Private pensions from all employers \$ _____
- Personal savings. This includes money you have in the bank and earnings on 401(k)s, 403(b)s, traditional and Roth IRAs, and other investments: \$ _____
- Cash value life insurance. These are whole life or variable life policies. \$ _____
- Part-time income you and/or your partner expect to make \$ _____

Total monthly sources of income: \$ _____

YOU DO THE MATH

Total monthly income needed: \$ _____

Subtract total monthly sources of income: - \$ _____

How much you'll need to make up for each retirement month: = \$ _____

PLAN, NOW, WAYS TO EARN AND/OR SAVE MORE FOR RETIREMENT