



# Clues to Stay on Track for Retirement

Baby-boomers meet retirement! Somewhere, that is, in the future. Whether it is a few years away or a decade away, here are a few tips to ensure a more financially secure retirement:

**1. Take advantage of the "catch-up provision" available through your 401(k) plan.**

Remember if you are over age 50, you can make additional contributions to your 401(k). Every extra dollar you can put away will grow tax-deferred so you may accumulate more money for the future. So maybe you can't save an extra \$5,000 - but it may be possible to put away an extra \$500 or \$1,000!

**2. If you haven't done it already, sit down and work out a budget that is realistic and stick to it.**

A budget will help you identify where your money is going as well as help prioritize your spending. You may discover that money is going to places that aren't really important to you when compared to your more immediate savings goals. By reprioritizing your spending, you may be able to adjust your 401(k) contributions and get some extra money working hard for you in your plan.

**3. Examine your investments in your 401(k) plan in light of your estimated retirement date.**

Review your account in light of diversification and allocation. Diversification is related to the type of investment asset: stocks, bonds, cash. Allocation refers to the percentage of your money invested in each type of asset.

**4. If you have set a general date for retirement, review your thinking to make sure your goal is still achievable.**

There are a variety of factors that can change a person's retirement plans. Be sure to examine both financial and non-financial factors to see if any changes are significant enough to change your planned retirement date.



**5. Check out the options available to you with your 401(k) plan when you retire.**

Find out your options with your 401(k) plan after you retire. If you have any outstanding loans, understand how they are treated when you retire.

**6. Seek financial help with your retirement questions.**

Most people don't get the chance to "practice" retirement. The decisions that are made about money and income are critical. Find the right financial professional to help you. If you are a do-it-your selfer, find someone who will work with you as a coach. If you are really lost when it comes retirement decisions, locate a good financial planner with a client base made up of people like yourself. Find a person you trust and listen carefully to their advice.