



Simple Secrets for Retirement Success



Retirement planning can often seem complicated and daunting. Really, though, most of the actions a person needs to take to work toward a confident retirement are very simple.

Follow a Plan

Successful investors have a plan and they stick to it. You have access to a qualified plan like a 401(k). With that comes access to educational materials and often, personalized information about saving for retirement. Creating a retirement plan, assessing risk tolerance, and setting up an asset allocation are easy steps to take toward retirement, and can always be readjusted later as circumstances change.

Focus on Saving More than Spending

Saving as much as possible is one of the most important steps for you to take. You should strive to live below your means and save the remainder. A qualified plan makes saving easy, since the money comes out before you receive it. Someone who starts saving 3 percent of income and increases that by 1 percent every six months will be saving 13 percent in five years.

Maximize Matching

If your qualified plan matches contributions, you should take full advantage of it. In this situation, the top priority is to contribute enough to get the maximum matching contribution. This “free money” can add tens of thousands of dollars to your retirement portfolio.



Seek Tax-Deferred Retirement Plans

Tax-deferred plans are another huge boon to retirement savings. Money is contributed to the plan before taxes, and continues to grow and compound free of taxes, until withdrawal. This means that funds that would normally have gone to the government stay in your retirement account, boosting returns.

For more information on retirement tips, contact your plan advisor, Kelly Famiglietta, at (505)884-0451 or Kelly@CharlesStephen.com.