



## TOP FOUR RETIREMENT INVESTMENT RESOLUTIONS FOR 2013

### Leading retirement planning expert from Pentegra Retirement Services offers advice for the New Year

**White Plains, NY, January 4, 2013** – New Year's is a time that symbolizes fresh beginnings, and that includes planning for your future. Pentegra Retirement Services is encouraging people to take a few minutes this month to reflect and focus on the state of their retirement portfolio and commit to an annual self-assessment.

According to Rich Rausser, Senior Vice President of Client Services at Pentegra, "We make resolutions to commit to better physical and mental health each New Year, but many people do not consider their financial health. Sure, we hear people say that they will spend less money, but spending less should follow with how to better plan for your retirement. Resolving to pay more attention to your future is one of the best things you can do for yourself this year."

Rausser offers these tips for four resolutions that can set people on the right track in 2013:

- 1. If you are not already in the game, get in it now.** "If you are not deferring a portion of your salary to your employer's 401(k) plan, you certainly should be. Any matching contribution is essentially free money—something your employer is happy to give you. And, it is incumbent upon you and your retirement to take it."
- 2. If you are not getting the maximum matching funds from your employer, do so.** "If you are not taking the fullest possible advantage of matching funds, take the steps to do so immediately."
- 3. If you have not increased your savings rate by one to two percent of salary yet, do so now.** "If you are currently putting five percent of your salary into a retirement fund, make it six or seven percent; if you are at the six percent level, increase it to seven or eight. Most of us receive salary increases at the end of the calendar year; now is the perfect time to take some of that increase and put it directly into your retirement savings plan. You need to do this annually."
- 4. Rebalance your portfolio, now.** "Do this at least once a year. Most 401(k) websites offer you the ability to reallocate your investments in an easy, intuitive way. For example, say that you have allocated one third of your portfolio to stocks, one third to bonds, and one third to cash. Overall in 2012, stocks were up by 13 to 16 percent, depending on the index you look at; bonds were up some 4 to 10 percent; and cash was up a mere one-half of one percent. Based on these returns your portfolio is no longer in balance with your original asset allocation. The idea is to get back to that one third/one third/one third point.

The concept behind doing so is to sell some of your winners so you can add to the ones that "did not do so well." By rebalancing your portfolio, you are following the tried and true "buy

low, sell high” model, you can better position yourself risk level by being less exposed to the asset class that did best which is now overweight in your portfolio.”

“Some investors may feel that if stocks did so well last year, they can do just as well—if not better—this year if they let their winners run. But I would caution those investors that chasing after one category at the expense of the others will ultimately end in tears; witness the devastation that gave us the financial crisis we are still experiencing several years later. A truly smart investor takes on an appropriate amount of risk, and takes a reasonable, diversified, cover-all-bases approach when it comes to managing your retirement plan portfolio investment strategy.”

### **About Pentegra**

Pentegra Retirement Services is a leading provider of retirement plan solutions to organizations nationwide. Founded by the Federal Home Loan Bank System in 1943, Pentegra offers a full range of retirement programs, including 401(k) plans, Defined Benefit Pension plans, Cash Balance plans, 412(e)(3) Fully Insured Defined Benefit plans, Split Funded Defined Benefit plans, KSOPs, ESOPs, Profit Sharing plans, Age-Weighted plans, New Comparability plans, 457(b) and 457(f) plans, 403(b) plans, 401(a) plans, Section 79 plans, Non-qualified Executive Benefit and Director plans, benefits financing solutions using BOLI and a broad array of TPA services. For more information, go to [www.pentegra.com](http://www.pentegra.com)

# # #

**Media Contact: Rodi Rosensweig, [rodicompany@earthlink.net](mailto:rodicompany@earthlink.net); 203/270-8929**