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Pentegra Offers Top New Year's Resolutions for Retirement Planning in 2018

For Immediate Release

White Plains, NY, December 19, 2017 – Pentegra, a leading provider of retirement planning, is encouraging people to reflect on what they have accomplished throughout the year and what can be done better in 2018 when it comes to saving for retirement.

According to expert Richard Rausser, Senior Vice President, Pentegra, "The prospect of saving *enough* money to comfortably retire can be overwhelming. Afraid of never being able to reach a financial goal, inertia seems the preferable course of action compared to taking the actual steps necessary to make a positive change. We want to emphasize that realistically, small actions really can often lead to big results. This is the time of year to get started by making resolutions that you can stick to in 2018."

Rausser suggests these eight important **New Year's Resolutions** for retirement planning:

1. **Set a date.** No matter how old you are, think about a realistic retirement date based on where you are at right now. Evaluate and determine an intended retirement timeframe, based on where you are now and how long you expect to work.

2. **Do the math.** The exercise of calculating a retirement savings goal does more than provide an estimate of how much you will need. It requires you to visualize the specific details of your desired retirement lifestyle. Use an online retirement income calculator and take this critical first step to develop a strategy. Start with these questions: When do you plan to retire? How much money will you need each year? Where and when do you plan to get your retirement income? Are your investment expectations in line with the performance potential of the investments you own? Which expenses will change in retirement?

3. **Start saving as early as you can.** The money you invest now for your retirement will grow over time thanks to compounding interest. Compounding is what happens when you earn money not just on contributions to your account, but also on the earnings themselves. It is interest on interest, and that means savings grows faster. People who started saving for retirement in their 20s are 66% more likely to expect retiring by age 60 than those who started in their 30s, according to a recent study from Money Rates. And, even if you only have ten years to retirement, it's never too late to let compounding work its magic.

4. **Save as much as you realistically can.** Analyze your current expenses to see where you can save more. Small savings really add up: a gourmet cup of coffee can cost $5. Purchased five days a week over an average of 260 work days a year that is $1,300 a year. Multiply that by 40 years of work, and you have spent $52,000. Assuming a six percent compound annual growth rate, that comes to $152,000 -- money spent on coffee that could have been saved for retirement

5. **Increase your 401(k) savings rate with each pay raise.** Making tax-deferred contributions is one of the best ways to save. Pretax salary deferrals reduce current taxes as they are not

included in your current taxable income. The same is true of the investment earnings your deferrals generate. As your rate of pay increases, so should your contributions to your retirement savings plan. If you are putting 5% of your salary into a retirement savings plan, consider increasing to 6% or 7%; if you are at the 6% level, consider 7% or 8%. Many workers receive salary increases at the end of the year which is the perfect time for taking some of that increase and putting it directly into your retirement savings plan.

6. **Play catch up.** Take advantage of catch-up contributions that allow you to contribute even more to a 401(k) account if you are 50 or older.

7. **Review your portfolio regularly**. Asset allocation decisions are among the most important that you can make. Remember to rebalance your account periodically so that you don't stray too far from your asset allocation goal.

8. **Plan with your partner.** If you are married, relying only on one partner's retirement savings to support you both can be a mistake. Plan jointly with your spouse to get the maximum advantage from both retirement plans.

Rausser adds, "Once you have your retirement strategy in place, be proactive about your plan—don't put it on auto-pilot. Retirement planning is more important than ever before as people are living longer and having to support themselves for a longer time period after retirement. While saving requires sacrifice, focus on the rewards by visualizing the retirement that you want. Taking that first step can be the hardest, but once you have a game plan, your odds of retiring comfortably can only increase. "

About Pentegra

Pentegra is a leading provider of retirement plan and fiduciary outsourcing solutions to organizations nationwide. Founded by the Federal Home Loan Bank System in 1943, Pentegra offers a broad array of qualified and non-qualified retirement plan solutions, TPA services and benefits financing solutions using BOLI. In addition, Pentegra, through Pentegra Investors, Inc., also serves the needs of institutional investors, offering partial or complete investment outsourcing capabilities. For more information, go to www.pentegra.com.

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