



Retirement readiness: Evaluating your retirement savings plan

Preparing for a comfortable retirement does not have to be a distant dream. By developing a retirement plan, you can help keep your goals on track.

Retirement checklist

Here are some important things to consider when developing your retirement plan.

- ✓ **Income and expenses** determine how much you will need and the sources of retirement income
 - Personal savings and investments
 - 401(k) 403(b) 457 Plan Pension
 - Social Security
 - Part-time work
- ✓ **Investments**
Consider becoming more conservative in how you handle your investments and consolidating them to make it easier to manage.
- ✓ **Inflation**
The cost of living has increased by an average of 2.28% per year over the last 20 years. It's important to consider inflation in calculating how much income you will need in retirement.¹
- ✓ **Income & estate taxes**
Don't forget to factor in the biggest financial drain: Income Taxes. Consider tax-advantaged investing and don't forget estate taxes can also dramatically reduce the amounts your heirs receive, so speak with your tax advisor.
- ✓ **Recordkeeping**
Your personal information and documents should be organized and in a specific location. Share this information with your loved ones.

✓ **Life insurance**
Life insurance helps protect your loved ones when they need it most. It's good to review your life insurance coverage to ensure that you have enough to help protect your loved ones.

✓ **Legacy gifts to children/grandchildren** There are several plans that allow you to make a gift specifically for the costs of education.

Take the first step. Your Foresters Financial Representative has access to resources and tools to help you plan your retirement, give them a call today!

2018 Retirement contribution limits

401(k), 403(b) and most 457 Plans

\$18,500 is the 2018 elective deferral (contribution) for employees.

\$6,000 is the additional catch-up amount allowed for individuals age 50 and over.

Individual Retirement Accounts (IRAs)

\$5,500 is the 2018 annual contribution limit (there are no income limits for contributing to a Traditional IRA, but tax deductibility is a separate issue).

\$1,000 is the additional catch-up amount allowed for individuals age 50 and over.

SIMPLE IRA for small businesses

\$12,500 is the 2018 contribution limit.

\$3,000 is the additional catch-up contribution amount allowed for individuals age 50 and over, and remains the same.

Roth IRA contribution limit

\$5,500 in 2018 and \$1,000 additional catch-up contribution for those age 50 and over.

You can contribute to both a traditional as well as a Roth IRA (at the same time) as long as the aggregate contribution does not exceed \$5,500 plus, \$1,000 if over age 50.

There are additional rules for IRAs, so please speak with your tax adviser before making adjustments to your retirement contributions.

¹Bureau of Labor Statistics, 2017

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