

SAVE EARLY, FINISH STRONG



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It's easy to ignore planning for a retirement that is decades away. But if you start planning now, you can take control of your retirement and enjoy the financial security you need to live out your retirement dreams. Taking advantage of your employer-sponsored 457 or 401(a) plan, or an individual retirement account (IRA), now rather than later, could actually be the smartest money move you ever make.

Something to think about:

- **Start now.** Most people join the workforce soon after they graduate from high school or college, but research shows that many neglect to save for retirement. According to a survey conducted by the Employee Benefit Research Institute, 41 percent of workers between the ages of 45 and 54, have less than \$25,000 in total savings and investments. Thirty-nine percent of workers aged 55 and older also total savings of less than \$25,000.
- **It all adds up.** Skip one trip to the corner deli each week or forgo that \$5 bucket of popcorn at the movies. It's a simple way to free up a little extra money every week. Even \$5 to \$10 a week makes a big difference, if you start now. Starting early could give you 20-30 years of opportunity for investment earning, which can really add up over time.
- **Pay yourself first.** Be sure to take advantage of your employer-sponsored retirement plans. One advantage of saving through your employer-sponsored retirement plan, is that the money goes to savings before you have a chance to spend it. An added benefit is that you are saving pre-tax, which means you get the full dollar benefit of the money you save and reduce your taxable income at the same time.

Saving early for retirement makes good sense. Take a look at the difference, starting to save at age 25 can make:

- If you save just **\$20 a month, you'll save a total of \$9,600 over 40 years.** By investing the same amount in a tax-deferred retirement plan at an average rate of return of 7 percent over 40 years, **your money will have grown to over \$52,000.**
- If you save **\$60 a month** in the same scenario, you could see your investment **grow to more than \$150,000.**

Saving for retirement is too smart a decision to delay – talk to your benefits specialist and visit our Web site at www.icmarc.org/save4retirement to get started.