



UtahSaves
You Can Build Wealth

Utah Saver



Money Matters

March 2008

Utah Saves

An initiative of United Ways of Utah and USU Extension
In partnership with AAA Fair Credit Foundation, 2-1-1, UCAPA



AAA FAIR CREDIT
FOUNDATION



United Ways of Utah

Helping People. Changing Lives.

Get Connected. Get Answers.

Don't know where to begin?

Visit these web sites for budgeting and spending management

*

- Faircredit.org
- ConsumerFed.org
- Msmoney.com
- MSN Money
- UtahSaves.org
- Bankrate.com
- Mvelopes.com
- Endprogram.com

Utah Saver of the Month: Courtney Righter

"I can't wait to be totally out of debt by 2008!", Courtney stated. Courtney joined Utah Saves and started a budget over 2 years ago. When she put together her first budget she set a target date to pay down her bills and debt. "I had to be very organized to stay on track." She has also began saving for retirement now, even though she is so young. "If I don't start saving for retirement now, I won't ever be able to retire." Courtney, great job at disposing of your old habits and replacing them with new, organized habits!! Keep saving!

Upcoming Events!

EVENTS:

Utah Saves Family Carnival

-March 10, 6:30-8:00p.m.
151 N. Main, **Tooele**
For more info. and to RSVP e-mail
terras@tooelecitoy.org

CLASSES

Individual Development Accounts/Basic Finances (IDA)

-March 1st, 8th, 15th, 22nd, 29th
10:30a.m.-1:30p.m.
3159 Grant Ave, **Ogden**
***English and Spanish**
-March 3rd, 10th, 17th, 24th, 31st
5:00-8:00p.m.
3159 Grant Ave. **Ogden**
-March 11th, 18th, 25th
7:00-9:00p.m.
44 N. 100 E. **St. George**
-March 19th, 26th
5:00-9:00p.m.
2001 S. State #S-1200 **SLC**
-March 18th, 20th, 25th 6-9:00p.m.
151 N. Main (Health Bldg.) **Tooele**
RSVP 435-277-2400

Basic Financial Management

-March 6th, 20th 6:00-8:00p.m.
March 11th, 25th
10:00a.m.-12:00p.m.
1775 W. 1500 S. **SLC**
For reservation call 801-977-0555

Avoid Debtors Tricks

-March 1st, 15th
12:00p.m., 1:30p.m.
3100 S. Redwood Rd. **West Valley**
Easy Menu Planning Saves \$
-March 12th, 26th 7:00p.m.
3100 S. Redwood Rd. **West Valley**
Consumer Cents

-March 18th 7:00-8:30p.m.
230 W. 200 S. **SLC** 483-0999

Financial Literacy

-Every Monday, February
4th- April 14th 5:00-8:00p.m.
3159 Grant Ave., **Ogden**
For IDA credit, contact
Martha at 801-656-1610

For more upcoming classes visit:

http://www.faircredit.org/event_calendar.asp

5 Ways to Ease Retirement Worries

By *U.S. News & World Report*

Don't let poor financial planning keep you awake at night. If you take these actions now, you might sleep better -- and better sleep might ensure good health as you age.

- **Plan for the financial transition.** It is important to develop a plan to transition your retirement savings into a steady stream of income.
- **Pay down debt before you retire.** Both housing debt and consumer debt are rising for elderly families. Those approaching retirement age have increasing levels of debt as well. "You need to get your finances in order," says Craig Copeland, a senior research associate for the institute. "Having debt going into retirement is not the way to have a successful retirement."
- **Evaluate your assets.** Take stock of all the sources of income you're going to have in retirement. "You need to think about what sort of guaranteed income streams you have -- Social Security, defined benefit plans -- and also the amount you have in a 401(k) or other savings," says Emily Kessler, a staff fellow for the Society of Actuaries. "Figure out how much you need to live on, and factor in inflation."
- **Health insurance is a must.** If you retire before age 65, you must make sure you have health insurance. You may be able to qualify for COBRA coverage for up to 18 months after you leave your job. But even after age 65, "get access to insurance to help you pay for those things that Medicare doesn't cover," Kessler says.
- **Take care of your health.** Perhaps even more important than financial assets is investing in your health with healthful foods, exercise and preventive care so that catastrophic health-care costs can be avoided as much as possible.



For Complete Article:

<http://articles.moneycentral.msn.com/RetirementandWills/CreateaPlan/5WaysToEaseRetirementWorries.aspx>

Making the Most of Your 401(k)

by Sue Stevens, CFA, CFP, CPA provided by Morningstar

Six steps to securing your financial freedom in retirement.



1. Focus on Your Goal

Just what is it that you want your retirement dollars to do? So think about what you want your investments to do. If your retirement is at least 15 years away, you can probably afford to keep more of your retirement plan in stocks. Focus on solid growth investments, such as large-cap stocks.

2. Contribute Money NOW

Most of us have thought at one time or another, "I just don't have the extra money right now to contribute to my plan." Don't believe it! This is even more important if your employer matches part of your contribution. Say you earn \$35,000 a year and you are contributing 10% of your income to your retirement plan. If your employer matches 100% on the first 4%, your total contribution to the plan is \$4,900. That's \$3,500 from you and \$1,400 from your employer. Due to the positive effects of

compounding, over 10 years' time, that \$1,400 could really add up--to more than \$20,000, in fact.

3. Choose Investment Options Wisely

If you want growth, start with a stock fund that invests in large U.S. companies. When it comes to saving for retirement, consistent, positive growth wins. If you want stability in your plan, take a look at the stable-value or fixed-income choices.



4. Think about Your Plan When You Change Jobs

It used to be that we could look forward to a pension when we reached age 65. No more. Your 401(k) is your pension (for most of us). If you blow your retirement savings on a new car when you change jobs, it's like landing on the "Go to Jail" square in Monopoly. You'll have to pay penalties. So when you change jobs, think carefully about what to do with your nest egg--even if that egg is only a few thousand dollars. If your previous employer had good investment choices in its plan and you've invested more than \$5,000, you can just leave the money where it is. If your new employer has better investment options in its plan, you can roll the money over into the new plan.

5. Don't Borrow from Your Plan

The ability to take a loan from your retirement account is often touted as a great feature of some 401(k) plans. If you have to borrow at some point in time, try to find other alternatives. Maybe you can borrow from your insurance policy instead, or take out a home-equity loan. Just remember to preserve your retirement account, if at all possible.

6. Keep Beneficiary Information Up to Date

One of the things we always do in financial planning is review your beneficiary designations. And that goes for your 401(k), too. Do yourself a favor. Call your human resources representative and ask to see your current beneficiary designations. If you haven't started to contribute to your plan, do it today. If you have started, increase your contribution level. Reaching that stage of financial freedom takes forethought. It's worth taking the time today to make smarter investment decisions for tomorrow.



For Complete Article:

http://finance.yahoo.com/retirement/article/101846/Making_the_Most_of_Your_401