

No Regrets Retirement

Tomorrow's success may depend on how you budget today



FINANCIAL FYI®

What do people ready to retire say about how they've saved?



Start Your Engines 2017 National Survey of Defined Contribution Plan Participants, American Century Investments.

Rewrite your future

Adjust how you handle finances today and you'll be less likely to look back on your "savings" years with regret. Learn from the experience of others, and use some basic budgeting strategies to help you stay on track.



Don't spend what you don't have, budget instead

Creating a spending plan for each paycheck puts you in control of your money versus it controlling you. You'll likely have competing goals, like monthly bills, saving for a child's education or purchasing a home. Realistically, retirement is the only goal that the bank won't lend you money for, so it needs to be a top priority. Make sure to include it in your budget.



Pay off high-interest debt

If you have high interest debt, there's a good chance you're spending more than you make. This could require a lifestyle change, such as waiting to buy until you've saved instead of using a credit card.

Buying something you don't have cash for could end up costing significantly more than the original cost of what it's worth. Monthly high interest rates are likely keeping you from getting ahead financially.



Save for the unexpected

Nothing derails your finances more than unexpected expenses. It's a good idea to save enough to cover living expenses for three to six months.

One way to build up an emergency fund is to free up money by paying off high interest debt. Or, cut other corners like choosing home-cooked meals or movie night at home.

The High Cost of Paying the Minimum

\$5,000 Credit Card Balance	+ 1%	\$81,244 Total Payments
	Minimum Monthly Payment Interest	
	\$50 Minimum Payment Allowed	
	18% Interest Rate	
	360 (30+ yrs) Months to 0%	
	\$76,244 Interest Paid	

The above calculation assumes you will not make additional purchases with this card. Source: Bankrate®



Put windfalls to work

Many people see a work bonus or their tax return as play money. Instead, consider putting extra money to work for your future—like paying down credit card debt, funding your emergency nest egg or investing in your retirement.

Even if you save or invest only a portion of extra money, it'll get you closer to your long-term goals. Plus, once your finances are in order, you can save for vacations and shopping trips and enjoy them even more.

The bottom line

Getting your financial house in order is not only important for your peace of mind today; it can also make a difference in how you face your future—with confidence or regret.



Save It vs. Spend It



See the impact investing an amount each month could mean for your retirement savings.

Monthly Amount	Amount in 20 Years
\$25	\$11,391
\$50	\$22,782
\$100	\$45,564
\$150	\$68,346
\$200	\$91,129

Source: American Century Investments Compound Savings Calculator. Chart assumes no specific portfolio with 6% returns over 20 years.

This hypothetical situation contains assumptions that are intended for illustrative purposes only and are not representative of the performance of any security. There is no assurance similar results can be achieved, and this information should not be relied upon as a specific recommendation to buy or sell securities.

This material has been prepared for educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.