



MONEYWISE

VALUING PEOPLE. VALUING MONEY.

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THIS MONTH'S TOPIC: KENTUCKY SAVES WEEK: SAVING FOR RETIREMENT

The last week of February is Kentucky Saves Week, a statewide effort to encourage individuals and families to save money and build personal wealth. University of Kentucky Extension sponsors Kentucky Saves as part of the national America Saves campaign.

There are many reasons people decide to set money aside for the future. It could be to buy a car or home, to build an emergency fund, to plan a vacation, to save for educational expenses or retirement. Whatever your savings goal, Kentucky Saves Week can inspire you to take the steps necessary to commit to saving for the future.

BECOME A KENTUCKY SAVER

This February, make a promise to yourself to save money by filling out the Kentucky Saves Pledge at <http://www.kentuckysaves.org/>. The pledge is a tool to help you visualize your goal by writing down what you're saving for and how much you plan to save. When you write down your goals, research shows you are 42% more likely to achieve them.

Further, research shows you're even more likely to succeed if you commit to goal-directed actions that include accountability. Sharing your goals with a family member or friend can help you stay on target toward success. Another benefit of the Kentucky Saves Pledge is that you can become part of the



campaign's community of savers. While online, you can sign up for email or text reminders and resources to keep you on track to reach your goal.

SAVING FOR RETIREMENT

As you consider your savings goals, this month we want to highlight the importance of saving for retirement. According to the 2019 Retirement Confidence Survey, one-third of American workers, or roughly 35%, have little to no savings. The good news is, it's never too early or too late to start building a retirement nest egg. Consider contributing to a 401(k) plan or other retirement account through your employer if it is available. Choosing to save for retirement can be hard, especially if your budget is tight and retirement is years down the road.



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To become a more intentional saver, you may be able to deposit money directly from your paycheck into a savings or retirement plan. Some employers will match funds, adding money for you. If an account isn't available through your work, you could set up an Individual Retirement Account (IRA). Both traditional and Roth IRAs offer tax advantages, although they have different rules for eligibility and accessing funds. A trusted, credible financial adviser can help you weigh available options.

READY TO RETIRE?

Saving for retirement takes planning, discipline, and often sacrifice. If you are one of the two-thirds of Americans who are planning for retirement, your savings considerations will change as you learn to adjust to a retirement lifestyle. If you are financially ready to retire, congratulations! But don't let your planning efforts stop there. New retirees must learn to adapt their finances, social relationships, and lifestyles as they adjust to all the changes that accompany retirement.

To learn more about navigating these retirement decisions, join us for the second installment of the Big Blue Book Club, sponsored by the University of

Kentucky Family and Consumer Sciences Extension Service. The three-week series kicks off during Kentucky Saves Week. Dr. Barbara O'Neill will join us on Feb. 25, March 4, and March 11. Dr. O'Neill will highlight tips for retirement planning from her book *Flipping a Switch: Your Guide to Happiness and Financial Security in Later Life*. There will be two sessions offered each meeting day: 11am ET or 7pm ET. Register to participate at <https://ukfcs.net/BBbcRegistrationBook2>.

REFERENCES

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