

Your Financial Future



What Your Age Means To Your Money

by Linda Descano, CFA®

(NAPSA)—Age is more than just a number when it comes to financial planning. Starting early can help provide a leg up on a comfortable retirement and keep you pre-



Linda Descano

pared for life's curve balls. This is particularly important for women, who live longer than men, are more likely to require long-term care services and take more time out from work to care for a loved one. Because of these financial realities, women need to start saving early, save more as they earn more and plan carefully. Here are a few smart moves:

In Your 20s

- Focus on living on a budget and making savings automatic. Set financial goals and identify what it will take to achieve them. Consider setting up an automatic transfer from your primary bank account to a dedicated savings account each month. Also, don't miss an opportunity to enroll in your employer's retirement plan, such as a 401(k) plan, and take advantage of matching contributions.

In Your 30s

- Set up an emergency fund to cover at least six months of living expenses. Identify a financial professional to help you put a comprehensive financial plan in motion.

In Your 40s

- Help protect yourself and your family financially through appropriate insurance and estate-

planning vehicles, including a will, power of attorney, living will and health care proxy. Consider maximizing retirement contributions, with your earnings likely at their peak.

In Your 50s

- Create a long-term care strategy and catch up on retirement savings. At age 50, you become eligible to make "catch-up" or extra contributions to your IRA, 401(k) or similar retirement plan.

In Your 60s

- Know your Social Security benefit options. At age 62, you're eligible to start receiving Social Security, but your benefits could be reduced by as much as 30 percent if you opt to get Social Security before your full retirement age. Manage your expenses and have a plan for how to draw down your savings. Update your estate plans.

Starting a financial plan is smart, but it's only a first step. Remember to regularly review your financial plan to make adjustments as life transitions occur. For more information, go to Women & Co. at www.womenandco.com.

Linda Descano, CFA®, is president and CEO of Women & Co., a financial resource and community for women backed by Citibank. Previously a director and portfolio manager in Citi's Private Portfolio Group, she was the recipient of the 2011 WomenSphere and Urban Zen Foundation Luminary Award and 2009 Corporate w2wlink Ascendancy Award for her career achievements and her dedication to mentoring women.