Jacobs Financial Partners
Executive Benefits, Investment & Pension Planning

Employee Financial Education

Retirement & Saving Milestones

TIPS TO HELP YOU SET REALISTIC SAVINGS GOALS AT ANY AGE

EARLY-CAREER | ESTABLISHING STRONG FINANCIAL HABITS

Starting out in your career can be an exciting time with a little extra jingle but managing finances during this period is critical. Prioritizing budgeting, debt management and early savings habits now could put you on the right path to long-term success.

COMMON PITFALLS AND TIPS

— **Credit Card Debt** – Keep your spending under control by paying off credit cards and buy now, pay later services on time - every time.

— **Student Loans** – Never miss a payment by setting up auto-payments and ask about student loan repayment benefits.

— **Buying a House** – Forget Keeping Up the Jones and avoid buying more house than you need, which could lead to other unexpected costs including repairs, taxes and utility bills.

MID-CAREER | ACCELERATING SAVINGS

You've acquired valuable skills and experience in managing your finances - great job! However, it can be easy to get too comfortable. Take the opportunity to review your financial situation and set new goals, so you don't miss out on accelerating those savings even further.

COMMON PITFALLS AND TIPS

— **Retirement Savings** – Aim to save 15% or more of your paycheck and let compound interest work to your benefit.

— **Cash Flow Planning** – Like a budget on steroids, you can align your investments with future income, expenses and major expenditures.

— **Kids' Education** – Start a 529 plan as early as possible to grow tax-free savings for education.

LATE-CAREER | CATCH UP SAVINGS

With retirement now on the horizon, it is time to calibrate your goals to ensure you are on track. Your mindset may be shifting to early retirement, legacy planning or funding healthcare needs.

COMMON PITFALLS AND TIPS

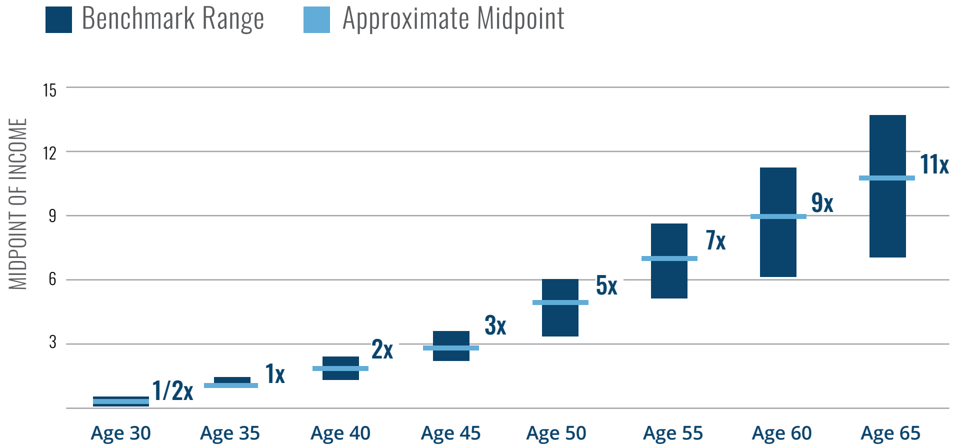
— **Catch Up Savings** – At age 50+, take advantage of the opportunity to save more for retirement.

— **Social Security** – Set a plan that's right for you, if you can, wait to claim your max benefit at age 70.

Retirement Savings Benchmarks by Age[1]

The charts below can help you see if you are on track for your retirement saving goals.

30	**Half** of salary saved
35	**1x** to **1.5x** salary saved
40	**1.5x** to **2.5x** salary saved
45	**2.5x** to **4x** salary saved
50	**3x** to **5.5x** salary saved
55	**4.5x** to **8x** salary saved
60	**6x** to **11x** salary saved
65	**7x** to **13.5x** salary saved



News and Updates

DO I NEED A WILL?

If you own property, have savings, are married or have a dependent(s), then the answer is, yes. Believe it or not, you can make a will as early as eighteen, so it is never too early. It may sound morbid, but it's smart to have a plan in place. Also be sure to update your will after any major life events.

RMD UPDATES:

The SECURE Act 2.0 updated a few required minimum distribution rules. Individuals can wait until age 73 (previously 72) to take a mandatory retirement savings withdrawal. Also, for retirees, new provisions reduce the pricey penalty for missing a RMD distribution from 50% to 25%; if the failure is corrected in a timely manner, it's reduced to 10%. That's good news for seniors.

Discover more about our services and how we can help you pursue your financial goals - request a consultation today.

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[1] T. Rowe Price. "How Much Should You Have Saved for Retirement by Now?" 31, May 2022.

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Investors should also consider whether the investor's or beneficiary's home state offers any state tax or other benefits available only from that state's 529 Plan. Any state-based benefit should be one of many appropriately weighted factors in making an investment decision. The investor should consult their financial or tax advisor before investing in any state's 529 Plan.

Distributions from traditional IRA's and employer sponsored retirement plans are taxed as ordinary income and, if taken prior to reaching age 59 ½, may be subject to an additional 10% IRS tax penalty. All investing involves risk, including the possible loss of principal. There is no assurance that any investment strategy will be successful. For a comprehensive review of your personal situation, always consult with a tax or legal advisor. Neither Cetera Advisor Networks LLC nor any of its representatives may give legal or tax advice.

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