



## Planning by the Decades

Considerations by age to help solidify your financial picture

### 20s

- Learn to live below your means to become financially independent (Budget!)
- Enroll in a retirement plan (Roth IRA/Traditional IRA/401k/403b/457b)
  - \$7,000 IRA / \$23,000 401k, 403b, 457b contribution limit for 2024
- Know your credit score
- Establish a debt repayment plan if you have student loans or other non-mortgage debt
- Start an emergency fund (3-6 months of your expenses) and automate as much as possible
- Have health insurance/life insurance to cover debt and/or certain financial obligations
- Understand your employee group benefits and how those fit into your individual plan

### 30s

- Have (at least) 1X annual income in your retirement account(s)
- Pay off debt (non-mortgage)
- Create an Estate Plan: Will/Power of Attorney/Trust (if you haven't already)
- Start saving for college (if you have children)
- Purchase life insurance (if you haven't already)
- Increase emergency fund - should be at least 3 months of monthly expenses (ideally 6 months worth)

### 40s

- Evaluate household budget (debt repayment, emergency fund)
- Have (at least) 3X annual income in retirement account(s)
- Increase college savings amount (if retirement savings are on track)

### 50s

- Have (at least) 5X annual income in retirement account(s)
- Understand key dates - 50 for catch-up, 55 for 401k/403b withdrawal, 59 ½ in-service withdrawals
- Know the benefit of paying off home - plan for retirement in a different location if desired
- Add catch-up contributions for 401k (additional \$7,500 in 2024), IRA (additional \$1,000 in 2024)
- Look into Long-Term Care Insurance & Annuities

### 60s

- Have (at least) 8X annual income in retirement account(s)
- Be aware of Social Security Options (early @ 62, benefits of waiting until FRA - likely 67, delay until age 70)
- Have knowledge of Medicare, eligibility @ 65
- Re-evaluate your retirement budget/expenses
- Know options for legacy planning (Review Trusts, Estate Planning)

**\*In every decade: Make sure your Will, Power of Attorney (Heath Care & Durable), and beneficiary designations are accurate. Also, review your risk tolerance for retirement/investment accounts.**