

Ladies, here's how to plan for retirement

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If you are like many Naperville women, your retirement dream includes having enough money so you can live comfortably and enjoy the finer things in life.

Today you might find yourself home with a young family, unexpectedly back in the workforce or recently divorced, and wondering how to better adjust your retirement planning to reach that dream.

Women are more likely to be nonpaid caregivers for their children or parents, or have part-time jobs that do not qualify for a retirement plan. Those who are working often earn less than men. Lower income and fewer years in the workforce means a smaller pension and less Social Security income.



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Even if you are at home with a young family, you should save for retirement. Saving as little as \$20 a week can add up with time and compounding. Start saving in a traditional IRA or a Roth IRA and remain committed — a small amount today will pay off in your retirement years. Also consider saving your tax refunds, birthday gifts and any other extra money you receive.

Working women should take advantage of employer offered savings plans such as 401(k)s. Many employers offer some type of contribution match — this is free money for you! Also consider your employer's retirement benefits before changing jobs for a larger paycheck. Women change jobs on average once every 4.8 years, but most pension plans will only vest after five years of employment. Before you take that new job, consider the possible pension income you will be losing in your retirement years.

Retirement savings can be one of the largest assets in a marriage. If you are going through a divorce, make sure your spouse's accounts are reviewed. You can help insulate your finances from divorce by funding your own retirement accounts from the start, whether you are working or not. An important thing to remember is if you have been married at least 10 years, you can claim part of your former spouse's Social Security income.

There are many different financial vehicles available for your retirement planning. Traditional IRA's, Roth IRA's and 401(k)s are examples of accounts that provide you with some tax advantages. You might consider investing your money in the stock market where you can create a diversified portfolio of stocks, bonds and mutual funds, or putting your money aside in a bank

CD or money market account. Consider the factors that can affect the success of the plan: your tolerance for risk, your time frame and your unique situation.

When planning for your retirement, ask questions. Financial services professionals can provide you with a savings plan that will help you have the retirement you dream about. Prepare for your future now, and you will be able to enjoy leisurely strolls on the Riverwalk, lunch at one of Naperville's fine restaurants and shopping at the city's stylish boutiques without financial worry during your retirement!

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