

SVA Plumb Financial – Money Minute: Making the Most of Your 401(k)

Studies show that most Americans are not taking full advantage of their 401k retirement plan. To help you make the most of your 401k, start by meeting with the investment professional who works with your plan. Here are three things you should review with the advisor. First, make sure you understand the rules that affect your 401k. Understanding these rules can help you maximize the employer contribution. Next, determine how much you need to save to meet your retirement goals. Completing a simple worksheet can provide you with a recommended contribution amount. And last, review your investment diversification. The advisor can recommend an investment mix based on the number of years you have until retirement and your tolerance for investment risk. A 401k plan is an important part of your retirement savings. Taking the initiative to meet with your plans advisor is often the most important step to maximizing this benefit.