



# NJABP

## Alternate Benefit Program

Your Future in Focus

### Retirement: Are You Too Worried or Not Worried *Enough*?

#### The Role Your Attitude Plays in Retirement Planning

Because you participate in the **New Jersey Alternate Benefit Program (ABP)**, you know a bit about retirement planning. But did you know that your attitude about retirement can play an important role in the retirement planning process?

When it comes to retirement preparedness, two extreme examples come to mind: the “oversaver” and the “undersaver.” One is too worried about retirement, while the other is simply not worried *enough*. *Which one are you?*

#### Example 1: Too worried

You’ve done a good job saving on a consistent basis over the years and you take pride in increasing your nest egg. You have paid off your mortgage and have no outstanding debt. You consistently monitor the status of your retirement accounts, and when there is market turbulence, you take quick corrective action, such as cutting down on spending. The idea of starting to draw down on your assets frightens you, and you are constantly thinking that those assets will be depleted during your retirement.

That is not always a bad thing, but it can be a problem when you are not living the lifestyle you want and can afford. For example, if you’re forgoing travel or other nice plans, or worse, not enjoying basic living comforts or appropriate medical care, you may need help moving from an accumulation mindset to a prudent spending mode.

#### Example 2: Not worried enough

You think about retirement, but to you, it’s a distant concern, not a priority, or too frightening to truly consider. You forgo years of saving, thinking you can always invest more aggressively to catch up later. You consider current spending needs—a new car, a bigger home, or new furniture—a greater priority.

If this sounds like you, you are not worried enough, and you could ultimately lose the ability to control your future, including when you can stop working. But the problem is that the choice to continue working may or may not be yours to make. The retirement plan of “working until I die” is not an adequate substitute for accumulating a retirement nest egg and planning for your retirement years.

#### Striking a balance

So, how can you get a better sense of your retirement preparedness? You may be well prepared for retirement if you do the following:

1. Consistently prioritize savings throughout your career and work toward an asset accumulation goal.
2. Consistently maintain a budget and avoid dipping into retirement savings.
3. Consistently avoid debt, or pay off personal debt, such as credit cards and car loans.
4. Have a plan and execute on it to pay off your mortgage by the time you retire.
5. Plan for retirement with the assumption that you will delay collecting Social Security benefits.
6. Have a healthcare plan for retirement.
7. Have a plan for how to use your assets to generate a reliable retirement income stream, including some portion that is guaranteed for your lifetime.
8. Review and adjust your retirement planning at least annually to ensure you are still on track to meet your goals.

*Need help with your retirement planning? Check in with your Prudential retirement counselor today.*

## Have You Checked Your Asset Allocation Lately?

### Your account could be “off balance”

You may already know that it's a good idea to check your account's asset allocation regularly—to make sure you are satisfied with how you are invested, based on how you feel about risk and your long-term investment goals.

But did you know that market conditions can also make it important for you to review your asset allocation regularly?

You may find you'll need to rebalance your portfolio to make sure it stays on track with your chosen investment allocation. Rebalancing is important because sometimes one investment option in your portfolio may grow (or decline) faster than another, throwing your original asset allocation off balance.

If you are invested in GoalMaker®, Automatic Rebalancing is done for you periodically—meaning money is moved among the investments in your GoalMaker portfolio to maintain your original allocation percentages. GoalMaker, an optional asset allocation program offered through your retirement plan at no additional cost, can make choosing your investments fast and easy.

Market conditions change—and sometimes, so do views on investing. That's why it's important for you to review your account on a regular basis. Doing so gives you the opportunity to make any changes you feel are necessary.

### You're part of an award-winning plan!

The State of New Jersey is proud to announce that it was awarded the 2017 Technology and Social Media Award from the National Association of Government Defined Contribution Administrators, Inc. (NAGDCA).

## Have You Verified Your Beneficiary Designation Lately

### To Change Your Beneficiary Designation

#### Online

1. Visit [www.prudential.com/njabp](http://www.prudential.com/njabp).
2. Click on “Access My Account” in the upper right-hand portion of the screen and log in to the account.
3. Click “Personal Information” under **View Details** on the left.
4. Click “Change or Add” under **Beneficiary Information** on the right.
5. Update and confirm the beneficiary information.

### To Change Your Beneficiary Designation

#### Using a Beneficiary Designation Form

1. Visit [www.prudential.com/njabp](http://www.prudential.com/njabp) and click on “Forms” under the “What You Can Do Now” tab.
2. Then click on “Beneficiary Change” under **Administrative Forms** to download the form.
3. Complete and mail the form to Prudential.

## Your Prudential Retirement Counselor

### The in-person assistance you can rely on

Retirement planning is a journey. But you don't have to travel alone. You can count on the assistance of your Prudential retirement counselors, whose goal is to help you get the retirement planning answers you need. Be sure to reach out to one of our knowledgeable retirement counselors *today*.

### Your Retirement Counselor Contact Information

<b>Lily Lau</b> (Northern Jersey) <b>Email:</b> lily.lau@prudential.com <b>Phone:</b> 732-236-6782	<b>Bob Rooyakkers</b> (Central Jersey) <b>Email:</b> robert.rooyakkers@prudential.com <b>Phone:</b> 732-587-8331	<b>Cornell Fields</b> (Southern Jersey) <b>Email:</b> cornell.fields@prudential.com <b>Phone:</b> 908-461-9148
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Plan information can be obtained by calling **855-NJABP11 (855-652-2711)** toll free or by visiting [www.prudential.com/njabp](http://www.prudential.com/njabp).

Amounts withdrawn are subject to income taxes. Withdrawals before age 59½ may also be subject to a 10% federal income tax penalty and plan restrictions. Penalty does not apply to 457 programs. Neither Prudential Financial nor any of its affiliates provide tax or legal advice for which you should consult your qualified professional.

GoalMaker is an optional tool and available at no additional cost. GoalMaker's model allocations are based on generally accepted financial theories that take into account the historic returns of different asset classes. Past performance of any investment does not guarantee future results. Prudential Financial encourages participants to consider their other assets, income and investments when enrolling in the GoalMaker program. We also recommend participants periodically reassess their GoalMaker investments to make sure their model portfolio continues to correspond to their investment objectives, risk tolerance and retirement time horizon.

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