



NJABP

Alternate Benefit Program

Your Future in Focus

The Important Role that Debt Plays in Retirement

When it comes to retirement planning, there's often a lot of emphasis on how much *income* future retirees will receive once their working years are behind them. What's *not* often discussed is how much *debt* retirees will have—and why that's important to anyone planning for retirement.

Debt trends – and the long-term consequences of debt

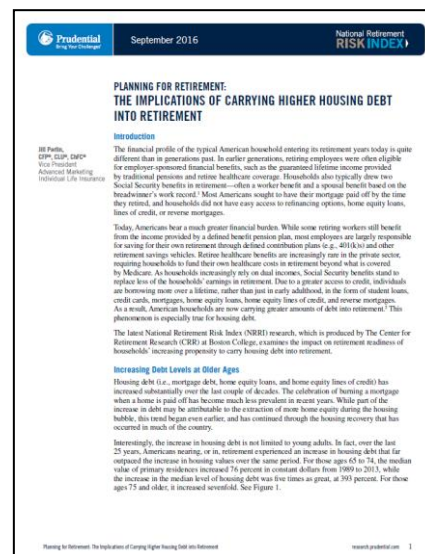
- Individuals are borrowing more over a lifetime—in the form of student loans, credit cards, mortgages, home equity loans, home equity lines of credit, and reverse mortgages. As a result, American households are now carrying greater amounts of debt into retirement.*
- Before retirement, debt repayments typically come from wages. In retirement, income generally comes from Social Security retirement benefits, and possibly, a pension and savings. If retirement income decreases, there may be less money to pay down outstanding debt.

Debt can have a substantial impact on an individual's quality of life in retirement.

That's why it's important for those planning for retirement to consider how much debt they may have in the future—and what they can do about that debt *today* to make their financial life tomorrow more enjoyable.

Prudential offers a compelling paper, *Planning for Retirement: The Implications of Carrying Higher Housing Debt into Retirement*, that explores the role of debt in retirement in much greater detail. Be sure to visit prudential.com/housingdebt to get your copy today.

To learn more about the effects of debt on your retirement—and the steps you can take to help yourself reduce that debt in the future—contact your Prudential retirement counselor.



* Source: Brown, Meta, and Donghoon Lee, Joelle Scally, Katherine Strair, and Wilbert van der Klaauw, "The Graying of American Debt," Federal Reserve Bank of New York, February 2016, <http://libertystreeteconomics.newyorkfed.org/2016/02/the-graying-of-american-debt.html#.V7MsH8sUXcs>

Register Your Email Address with Prudential

Are you looking to cut down on the amount of mail you receive? A great way to start is by registering your email address with Prudential Retirement®. When you do, you can choose to receive all communications related to your New Jersey Alternate Benefit Program (ABP) account online and by email.

It's quick and easy to make the change:

1. Visit prudential.com/njabp.
2. Click on "Access My Account."
3. Click on "Register Now."
4. Follow the on-screen prompts.

Take Advantage of a Valuable Resource: Your Prudential Retirement Counselor

Retirement planning is something that continuously occurs over the course of an individual's career. And just as your life will change over time, you may find that your retirement planning needs will as well. But you're far from alone in your retirement planning journey—thanks to your Prudential retirement counselors. Their goal is to help you navigate the retirement planning process, and get the answers you need along the way. And their assistance is available to you at *no additional charge*.

Be sure to contact one of your counselors *today* for the retirement planning support you need.

Your Retirement Counselor Contact Information

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

Upcoming Visits to NJCU

Location: Vodra Hall, Conference Room B

Thursday, April 27th from 10am-3:30pm

Monday, May 15 from 10am-3:30pm

Location: GSUB, Lobby – 1st Floor

Wednesday, June 7th from 10am-3:30pm

Tuesday, June 27th from 10am-3:30pm

Withdrawals, except for qualified withdrawals from a Roth 401(k), are generally taxed at ordinary income tax rates. Neither Prudential Financial nor any of its affiliates provide tax or legal advice for which you should consult your qualified professional. Qualified Roth distributions are federally tax free, provided the Roth account has been open for at least five tax years and the owner has reached age 59½, has died or has become disabled. Qualified Roth distributions may be subject to state and local income tax.

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