



# LIVING NOW

SUMMER 2011

Your Quarterly Newsletter from New York Life Retirement Plan Services

## Save money this summer

Summer is a time to enjoy with family and friends. But it can also be a time to save. As the weather heats up, keep these tips in mind.

### Keep cool

Did you know that cooling costs can make up about 20% of your annual utility bills? Here are some quick ways to cut down on those costs:

- Get in the habit of closing your windows and shades in the morning to keep temperatures cooler inside.
- If you have air conditioning, set it for a few degrees higher during the day if no one is home.
- Turn fans off in rooms that aren't being used.

- Cookouts can be a fun family activity, plus they can help you avoid using your oven – keeping your home cooler.

### Improve gas mileage

Are you hitting the open roads this summer? Use these tips to maximize your gas mileage:

- Obey speed limits and avoid rapid acceleration and braking. Your gas mileage could improve by up to 33%.<sup>2</sup>
- Get a tune-up and check that your tires are properly inflated.
- If you're staying local this summer, try to consolidate your trips in the car. For example, plan your errands so you can get them done in one trip instead of stopping at home in between each errand.

- Avoid idling for long periods of time. Remember, idling still uses fuel and hurts your gas mileage.

### Soak up the savings

Planning a summer trip? Check to see if there are season passes available to local attractions or hot spots. Even if you're only in the area for a week, daily entrance fees can add up and a season pass could make sense. Also, remember to stock up on snacks and drinks before you go. This can help you avoid spending extra money on refreshments.

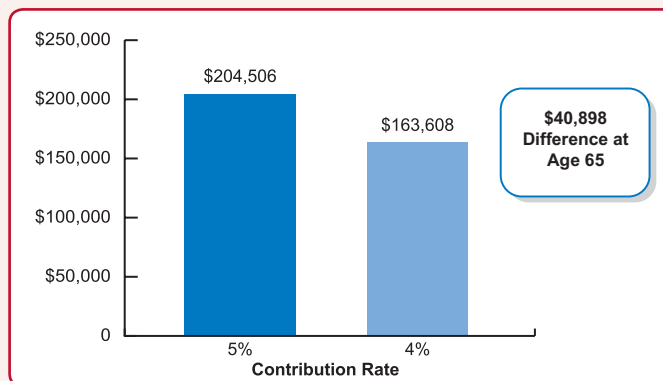
Have your own cost-saving tips? Send them to us at [livingnow@nylim.com](mailto:livingnow@nylim.com).

## Making progress toward your goals

Everyone has different goals and ideas about how they want to spend their retirement years, but we all want to be comfortable. The truth is, most people simply aren't saving enough for retirement. One of the most important ways you can impact your retirement savings is to increase your contribution rate. Even a small increase now can potentially make a big impact at retirement.

For example, say Sarah makes \$40,000 a year. If she contributes 4% of her salary to the plan and earns a 7% return on her investments, she'd have \$163,608 in 30 years. If she increased her rate to 5% — which is about \$33 more per month — she'd save \$204,506 in the same amount of time. **That's \$40,898 more!**\*

To increase your contribution rate, contact your payroll administrator to modify your salary reduction agreement.



\*This hypothetical example represents no particular investment. It assumes monthly compounding and beginning-of-period payments. It does not reflect the deduction of taxes or transaction costs and does not reflect dividend reinvestments.

## Protecting your identity

Identity theft is when someone illegally uses your personal information to conduct fraudulent business or commit crimes. The Federal Trade Commission (FTC) estimates that nine million Americans have their identities stolen every year.<sup>3</sup>

Here are some ways that you can protect your personal information:

- **Guard your Social Security number.** Don't carry your Social Security card with your wallet. Keep it stored in a safe, secure location with other important documents.
- **Don't share your personal information.** Be very careful when giving out your personal information (full name, birth date, address, etc.). Ask questions about why the information is needed and how it will be used. Be cautious when sharing any personal information online as well.
- **Take care with your mail.** Identity thieves can obtain personal information by stealing your mail. To protect yourself, don't leave mail sitting in your mailbox. You should also drop any outgoing mail with personal information directly into a secure post office box.
- **Clean up your trash.** Thieves can also pull documents from your trash. Before you throw away anything with personally identifiable information, be sure it has been properly shredded.

To learn more about identify theft and additional ways to protect yourself, visit the FTC's identity theft site at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) and watch for future issues of *Living Now*.



## Taking care of aging parents

Caring for aging parents can cause stress and uncertainty. If you're facing this situation, here are some simple questions you can ask yourself:

- **What's the financial situation?**

Try to understand what financial benefits your family member is already receiving. This can also help you learn if there are any other benefits for which he or she could be eligible.

- **What legal preparations have been made?** Does your family member have an estate plan in place? If so, find out where the important documents are located.

- **What health insurance is being used?** Many older Americans receive health insurance coverage through Medicare or Medicaid. Keep in mind that Medicare does not cover long-term care.

Once you have the answers to these questions, you can start to help your parent make a plan for what comes next. Remember that many communities offer resources that can help you with this transition. For example, check out the information at [www.eldercare.gov](http://www.eldercare.gov).<sup>4</sup>

<sup>1</sup> Cool Your World this Summer with Seven Simple Ways to Save, 2009, [www.energystar.gov](http://www.energystar.gov)

<sup>2</sup> Gas Mileage Tips, 2001, [www.fueleconomy.gov](http://www.fueleconomy.gov)

<sup>3</sup> Fighting back against identify theft, 2010, [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft)

<sup>4</sup> Face the Facts, 2011, [www.eldercare.gov](http://www.eldercare.gov)

All investing involves risk. It is possible that your investment objectives may not be met.

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NYLIM-23329, 06/2011

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