



# National Plus Plan

INVESTING FOR A BRIGHTER FUTURE

## Retirement Planning Newsletter

For participants of the National Plus Plan

July 2019



## In the Driver's Seat

When it comes to investing for retirement, it's up to you to decide how to manage your plan investments.

*The National Plus Plan is a major benefit and a powerful vehicle that helps you save for retirement. It's up to you to decide how to make the most of its many features, including deciding on your investments-you can "do it yourself," or have a professional help you with these decisions. The Plan offers a wealth of resources to get you started and keep you on track.*

### Make Decisions On Your Own:

If you're interested in learning about the investment markets and you are comfortable making the choices that are right for you, then you may want to be more involved in managing your account. When you choose to "do it yourself," you:

- Mix and match individual funds from the Plan's investment menu that represent your desired investment allocation.

### Carpool Your Retirement Future:

Would you rather focus your time on interests outside of investing, taking more of a hands-off approach? Maybe you're a "do it for me" investor. If you prefer this approach, you:

- Could benefit from an "all-in-one" type of investment that's professionally managed for you so you don't have to decide what investment sectors to be in and to what degree. If this approach that invests according to your time horizon to retirement and beyond appeals to you, you may want to consider one of the target date funds that corresponds to when you think you'll retire.

### Whatever Your Choice May Be

As a member of the National Plus Plan, you have access to investment professionals at J.W. Thompson Investments who can answer your investment questions and help you understand and select an investment approach that is right for you and specific to your personal retirement needs. You can call them toll-free at 800-929-9479.

## Enjoy the Journey - and the Destination

No matter how you chose to manage your retirement plan, it's important to stay active and on top of your investments. Remember, its prudent to:

- Periodically review your portfolio and rebalance to your preferred target allocation if necessary.
- Think about combining accounts to take advantage of potentially lower fees and investment monitoring that's available in the Plan.
- Update beneficiary designations after major life events (e.g., having a child, getting married or going through a divorce.
- Choose income options that fit your needs (e.g., systematic, partial, lump sum withdrawals – or keep investing if you don't need income right away.



# When Cash is King ...

*Retirement planning is not all about investment growth and asset allocation. Cash is an often overlooked, yet essential way to stabilize your income, improve your ability to handle unanticipated expenses, and to become financially flexible.*

Here's a short, practical guide for setting up a robust cash management strategy using three types of cash savings strategies for specific time horizons:

## **Operating cash (zero- to six-month horizon):**

This is the money you use to meet daily cash management needs, such as paying bills or living expenses.

You may want to focus on putting your cash into low-risk options, such as a bank checking or savings account that gives you ready access to your funds.

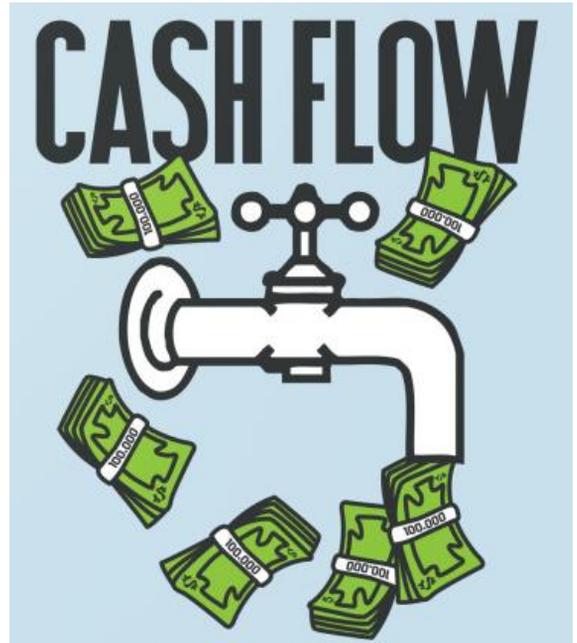
## **Core cash (six- to 12-month horizon):**

You may need periodic access to funds to pay for planned needs, such as holiday gifts, an annual vacation or paying for insurance premiums.

The focus for this bucket is not primarily liquidity, meaning you are comfortable tying up your money in a short term CD or Holiday Club account that may offer incremental yield, but limits when you can withdraw funds.

## **Strategic cash (12- to 24-month horizon):**

For major intermediate-term goals such as paying for college tuition, you can set up a strategic cash bucket that identifies how much cash is needed ahead of time. You'll want to balance risk and return depending on how far out the bills are due. When planning for financial needs that are well into the future, savings and investing can be the preferred tools to use. But if you have short- to intermediate-term goals, a well-crafted cash-management approach can be an important part of your wealth planning activities.



## **National Plus Plan Contact Information**

For information about investing in the National Plus Plan and the funds offered, contact J.W. Thompson Investments toll free at: **1-800-929-9479**

For information about the administration of the National Plus Plan, contact the Pension Office toll free at: **1-800-452-4155**

Information about the National Plus Plan is also available on the internet at: **[www.NationalPlusPlan.com](http://www.NationalPlusPlan.com)**

Para informacion sobre el Plan Nacional Mas en espanol, contacte a la oficina del Plan de Pension al **1-800-452-4155**