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NEWS RELEASE

FOR IMMEDIATE RELEASE

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IT'S NEVER TOO LATE FOR BABY BOOMERS TO PLAN THEIR FINANCIAL FUTURE

Do you feel it is almost impossible to save any money? With the almost constant news about Internet stocks and 401(k) plans, do you feel like you are the last member of the baby boom generation to get started building an investment portfolio?

"Spring is a great time of year to begin thinking about saving and investing," said Idaho Department of Finance Director Gavin Gee. "With your income tax refund, now might be the time to place that money in a savings account for a rainy day or to begin investing for your retirement. With many mutual funds, you can get started for as little as \$100 with a monthly addition of \$25."

The 1999 Retirement Confidence Survey found that 20 percent of workers in their 40's report that their household has not yet begun to save for retirement. In addition, the median amount saved among 40-something households is less than \$50,000.

Experts say that Americans will likely spend 70-80 percent of their pre-retirement income to maintain their current standard of living in retirement. According to the American Savings Education Council, that means a 45-year-old who earns \$50,000 and who plans to retire by age 65 needs to accumulate \$336,000 by age 65, in order to maintain his standard of living.

Gee said that the key to taking charge of one's finances is through the development of a financial plan. "Research shows that people who set savings goals, on average, save twice as much money as those without a financial plan," he noted. In developing the plan, Gee recommended the following:

- define the purpose for saving and investing;
- set short-term and long-term financial goals;

- establish a level of risk tolerance;
- consider which saving and investing products are best for your goals and risk tolerance (including employer-sponsored plans); and
- stay disciplined.

Once you have a financial plan in place, Gee said that the word "THINK" serves as a useful acronym when considering an investment opportunity:

- **T**reat investment guarantees with skepticism.
- **H**one in on your investment objectives.
- **I**nvestigate before you invest.
- **N**ever be pressured into a particular investment opportunity.
- **K**now how your investment funds will be used.

The Idaho Department of Finance, Securities Bureau (Bureau) serves as a resource for investors and potential investors, providing information about the registration status of those who sell securities and give investment advice, and information about whether certain securities products are registered. The Bureau can be reached at 1-208-332-8004 or 1-888-346-3378 (toll free within Idaho) or at www.state.id.us/finance/sec.htm.

"Contacting the Bureau to gather information should be a critical part of investigating before you invest," Gee said. He noted that the Bureau provides, free of charge, a wide array of investor education literature upon request.

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The Idaho Department of Finance promotes honest and fair securities markets where individuals and businesses can raise capital and investors can expect a fair return on their investment. The Department's Internet address is www.state.id.us/finance/dof.htm.