



## Planning for Retirement: Never Too Early To Start

Living longer lives means planning for longer years of retirement. Social security cannot be relied upon since it stands on unstable financial grounds. Future expenses must be calculated with an eye on both inflation and increased longevity. The earlier you start planning, the more likely you are to enjoy retirement. Here are some planning pointers to get you started:

Take full advantage of retirement plans by making maximum contributions to 401 (k) plans and Roth or Traditional IRA's:

- Coordinate retirement savings with spouse and determine an overall allocation for retirement investments
- Track returns on your retirement investments and take corrective actions as needed
- Use of retirement savings before reaching retirement age should be a last resort

Create a safety net:

- Savings should be equal to three months of living expenses
- Obtain life insurance. A term life insurance policy generally gives you the largest death benefit for the smallest premium
- Purchase disability insurance
- Consider raising the liability limits on homeowners and auto insurance policies
- Consider purchasing long-term care insurance

Save as much as you can:

- Temper wants with needs. Curb impulsive buying by having a shopping list
- Take advantage of store specials and cut costs by comparison shopping. Online shopping sometimes saves time and money
- Properly inflated tires improve your fuel economy
- Ask for lower credit card interest rates and pay off your balances as soon as possible
- Avoid late fees by utilizing online bill payments or by setting up automated payments that are deducted from your checking account
- Get your kids to be independent. If they are out of school they should be economically independent. If you still support them you are putting their financial future at risk as well as your own

Take care of your health to avoid or reduce future health care costs:

- Schedule regular checkups
- Eat a healthy diet
- Do moderate exercise for thirty minutes a day

*more...*

## Planning for Retirement: Never Too Early To Start

Avoid buying a home that you cannot afford:

- A large home can become a real burden with climbing property taxes and soaring insurance premiums
- Protect the value of your home with regular maintenance to prevent costly repairs later

Consider moving to a small town where:

- There is an above average standard of living
- An environment where the pace is less hectic, free from traffic, with a low crime rate

Going back to school can allow you to:

- Develop new hobbies and interests
- Meet new people
- Earn extra income from hobbies while enjoying what you do. (Please note that to make a hobby into a business activity, one should maintain serious business intent, have a business plan, keep good books and records and have separate business bank accounts and charge cards)
- Consider volunteering which can provide you with a sense of fulfillment while benefiting others