



14 Mistakes In and Affecting Retirement

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Retirement has loomed on the horizon for years, and as you get older the thought of actually exiting the workforce to enjoy that time becomes more of a reality. Maybe you are already there and realize that money management is more crucial now than ever. So while there are several issues that can affect money matters in retirement, these 14 have been selected to highlight common concerns many face today.

1 LEAVING THE WORKFORCE TOO EARLY

Can be more emotional than logical; also reduces the time you have to save money, and extends the time you'll need it.

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3 STARTING TO SAVE TOO LATE

A 2015 Transamerica survey showed 41% of American retirees worry they will outlive their assets. Start saving consistently NOW!

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5 CASHING IN ON SOCIAL SECURITY TOO EARLY

While you can get partial benefits at age 62, delaying distributions until age 70 increases your annual benefit amount by 8%. That can be a 32% boost in benefits!

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7 OVERSPENDING IN THE FIRST FEW YEARS

The Employee Benefit Research Institute reports about 46% of retirees spend more in the first two years of retirement than while working.

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9 "OVER-FUNDING" YOUR KIDS

Paying for college, weddings, living at home as adults, etc. can all drastically cut into retirement savings. Clearly communicate predetermined expectations.

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11 GETTING SCAMMED

According to the FTC, in 2015, Americans lost \$765 million due to scams. Of the over 3 million complaints, 37% were ages 60 and over.

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13 RELOCATING ON A WHIM

Consider an extended vacation as part of your research. Also, renting at first can be a good way to learn more of the specifics on an area's culture, pace of life, language, etc.

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2 PLANNING TO WORK INDEFINITELY

Leaves you unprepared in the event of unexpected "forced" retirement due to staffing changes, buyouts, health, etc. So save early and regularly.

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4 BORROWING FROM YOUR 401K

Causes several problems including skipping employer matching and paying more in taxes and possible penalties. Explore other options.

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6 CASHING OUT YOUR PENSION TOO EARLY

Shifts the risk to you and can make it difficult to find an equally-performing investment. Consider your options carefully.

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8 DECLUTTERING TOO QUICKLY

Certain records need to be kept to help meet requirements of various laws and/or to determine cost basis.

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10 SHYING AWAY FROM THE STOCK MARKET

Avoiding the stock market does not eliminate your risk, but shifts it to the possibility of inflation outpacing returns on your money.

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12 BEING "HOUSE-RICH" BUT "CASH POOR"

If the cost of owning and maintaining your home is causing you to be strapped for cash, it may be time to consider "right-sizing" your home.

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14 NOT STAYING PHYSICALLY OR SOCIALLY ACTIVE

Live out your calling and purpose to maintain social, mental and physical health. It will stretch your faith and elevate your outlook on life!

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Want to learn more about how you can be prepared for retirement and avoid common pitfalls?
Contact us today to start a conversation!

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