

Wealth News

July 2010

Information from Advantage Financial and CFS* to help keep your financial life in balance

Consumer Sense

Retirement Planning

It's never too early or too late to start thinking about planning for retirement. But depending on how near to or far from retirement you are, the decisions you'll need to make and the choices you may have are very different. Figuring out how to live off your retirement savings is as much a personal issue as it is a financial decision. Your first step towards a successful retirement is to develop a strategy that will allow you to enjoy your retirement while minimizing the stress in worrying if you have enough saved.

Will I Have Enough?

According to a 2009 industry study, many pre-retirees haven't clearly assessed how long their savings will last in retirement. Even more disconcerting is that they haven't saved nearly enough to fund the retirement lifestyles they expect. The findings of

the survey suggest that the savings habits of pre-retirees are insufficient to last for their expected 20 or more years in retirement. However, with preparation and careful planning, you may be able to avoid the pitfalls and start working toward a more secure retirement.

How Can I Prepare?

According to the survey, nearly two-thirds of respondents lack any formal plans for retirement savings or spending strategies. One way to help ensure a successful retirement is to follow a disciplined process that involves developing a written plan. Designing a plan involves gathering relevant financial information, setting life goals, and examining your current financial status. This compilation of information can be used to design a plan for how you can meet your financial goals. Once completed, your plan should be used to help make investment decisions

that are in sync with your goals and personal risk tolerance.

Personal "Profit & Loss" Statement

If you did not have a budget in place for 2009, establishing one in 2010 should be a top priority. The simple practice of defining and sticking to a budget can help you reach your financial goals. Only when one is in place will you be able to accurately track income and spending and, if necessary, make adjustments.

Who Can Help Me?

You have many choices when searching for help in building and managing a retirement plan. In particular, the financial professionals here at your credit union will work closely with you to clarify your retirement goals, develop and implement a plan, and provide ongoing advice in pursuit of those goals.

Source: Retirement Fitness Survey, www.researchmag.com, Jan. 6, 2010.

Have You Read...

Retirement Planning: *The Bogleheads' Guide to Retirement Planning* by Taylor Larimore, Mel Lindauer, Richard Ferri and Laura Dogu. This book is filled with valuable advice on a wide range of retirement planning issues- including types of savings accounts and retirement plans. It provides insights on managing and funding your retirement accounts. Details withdrawal strategies that could help you maintain a comfortable retirement lifestyle.

Interested in Learning More?

Advantage Financial specializes in helping people maintain a healthy financial balance and discover smart money strategies. Call me to set an appointment to review your investment objectives, and to discuss any questions you might have. I look forward to speaking with you!

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Do you have a topic you'd like to see covered in future Wealth News newsletters? Email your questions and comments to me at: pivey@1stadvantage.org.

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