

# REAL LIFE SOLUTIONS



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## How to **Get Ready for Retirement** at Any Age

**H**ow you should prepare for retirement often varies significantly by age. Here's how to improve your retirement readiness at any age:

**20s.** When you're in your 20s, nothing is further from your mind than retirement. Planning for the future generally involves figuring out Saturday night plans. Realize the importance of saving early and the value of compound growth over many years. Years ago, I remember a 20-something co-worker who religiously saved a minimum of 10 percent of every paycheck. She always told me she did not feel it because the money came out before she even saw her check. If she maintained that commitment, I am sure her retirement life is better for it.

**30s.** Additional responsibilities are likely to enter your life. You may have changed into a parent and provider. Retirement is still a long way off, but planning for your future begins to make more sense. Along with figuring out how you will put the kids through college, begin to take advantage of a 401(k) plan or other savings plan offered by your employer. Pre-tax investments are attractive because your investments are able to grow tax free until you take the money out in retirement. With a seemingly endless stream of bills, learn how to control your spending and budget.

Retirement planning becomes more important than deciding what you will do when Saturday rolls around.

**40s.** Your kids are getting older and starting to think about college and graduate school. Once you reach the end of the education process, you may be able to focus on reducing debt now that you actually have some money available to do so. Take a vacation with your spouse to celebrate successfully putting the kids through school. Retirement is getting closer and starts to come up in discussions. It's not too early to prepare, but there's still a lot going on to keep your mind and efforts otherwise occupied.

**50s.** Now is the time to look at how much you will need to live a fulfilling retirement. If you plan on retiring at 65, you have 15 years to build a nest egg where you won't have to work if you so choose. Determine where your money will come from and how much you will have accumulated by retirement age. If you're on track, you only need to continue what you are doing. If you're falling short of what you need, you still have a little time to make adjustments. Your 50s should be a time to consider the essential elements that will allow you to live a meaningful and exciting second act. It's not too early to think about what you will do to stay mentally and physically active and avoid boredom in retirement.

Explore hobbies and interests that will fill your daily life when you're no longer working. Rediscover the passions you ignored while tied to the working world. Think about what excites and thrills you and makes you want to get out of bed each morning. You don't have to wait until retirement to begin these activities. Retirement could be a much smoother transition if you start testing out these activities before you clock out of work for the last time.

**60s.** When you get to your 60s, retirement becomes a central focus. Hopefully you adjusted your savings strategy in your 50s to make sure you will be able to retire at your desired age. With fewer years left to make adjustments, you may be forced to live within the world you have created up to this point. Some people may have to consider extending their working days to fill in any deficits.

A fulfilling retirement has the best chance of being achieved over a lifetime of planning and preparation. The sooner you get under way, the better chances you will have to end up happy in the end.

<http://lovebeingretired.com/2014/01/09/how-to-get-ready-for-retirement-at-any-age/>

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