

# Retirement Plans

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## Why Plan?

You could be retired for several years and if you haven't planned well, you might not have the income to enjoy all the hopes, goals and dreams you had for your retirement years.

The retirement planning process begins with you. What are your goals for your life after you decide to retire? What type of lifestyle do you want or need for this time of your life? How do you plan to achieve your hopes and dreams? Where will you live? Will you continue to work or enjoy a hobby or maybe travel? How much life insurance do you expect to need? How much health insurance will you need? What about long term care if you are ill? How much money do you need to retire? Where will this money come from? These and many more questions need to be answered if you are planning to retire with the lifestyle you desire.

The sooner you answer these questions and start planning the more likely you are to achieve your goals.

## Seven Steps for Creating a Satisfying Retirement

From Gary Billings, Ph.D

For the baby boomer, most will retire within five years. Because boomers are chronologically, physically and psychologically younger than their parents were when they retired retirement will be very different for them.

So, if you are a boomer here are seven (7) suggestions for making retirement more satisfying.

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Think of your retirement as an opportunity to transition from first adulthood to second adulthood something akin to moving from infancy to adolescence. In this way your retirement can be properly seen as an opportunity for growth, learning, and discovery.

- Listen to your inner voice when it begins asking, "Who am I?" "How do I use my talents? and "What do I really believe?" These questions offer an opportunity to live unfulfilled dreams and use hidden talents-- something that is often illusive during First Adulthood.
  
- Allow yourself to dream about all the things you'd like to do, to have and to be. Perhaps it's buying a vacation house, or taking piano lessons or starting a new business. A well-known person reluctantly thrust into Second Adulthood and anxious and depressed dreamed about opening a fried chicken restaurant using a recipe that had been in the family for years. Colonel Sanders and his Kentucky Fried Chicken franchise are now part of popular lore about the power of dreams.
  
- Evaluate your situation remembering your life is made up of many different parts-- career, finances, family, social relationships, health, intellectual development, values and beliefs. One of the goals of Second Adulthood is to create a more balanced life by placing equal emphasis on each area. So assess each one. List your strengths and areas in which you'd like to improve. Be sure to identify your achievements. You'll find you've accomplished a lot more than you think. This gives you an opportunity to build on existing strengths.
  
- Develop goals and priorities in each area of your life to help organize your time and energies. Goals create action and its action that gets results. One of the reason people often flounder during the initial phases of Second Adulthood is they don't have specific, measurable goals. Time becomes something to fill in, not something that bring them closer to their hopes and dreams.
  
- 6Organize your time and get a day planner because after a life of hard work and stress it is easy to lapse into doing things are fanciful at a given moment. When we do this for too long we fritter away the day doing things that take us away from achieving our goals. As someone once said, life is what goes on while we're doing other things.
  
- Eliminate negative self-talk because it works against a successful transition into Second Adulthood. The challenge is to replace negative thoughts with positive ones that help us achieve our goals. For each goal you've developed; identify negative attitudes that get in the way. For, example, if one of your goals is to find a part-time job doing something that is completely different and you find yourself thinking "No one is going to hire me at my age," or " I am too experienced for the job". Or, you've decided to buy a vacation home and you find yourself thinking, "It'll cost too much", or " I'll never find one in my price range." Once you've identified negative, self-limiting thoughts, develop positive ones to replace them. Just as you developed negative thoughts, you can just as easily re-program your mind to develop positive ones.

Adulthood to Second Adulthood is often a jarring and unsettling experience. One doesn't move seamlessly and painlessly from one stage to the other. There will be periods of uncertainty, anxiety, even fear. These reactions are normal. Making the transition often involves going up a lot of different paths until finding the right one.

If you find yourself losing sleep over leaving your First Adulthood, give yourself a break and remember what Henry David Thoreau said:

"If one advances confidentially in the direction of their dreams and endeavors to live their life which they imagined, they will meet with a success unexpected in common hour."

So, if you are losing sleep, get out of bed and listen to your inner voice, allow yourself to dream about what you want to do in your Second Adulthood, assess important areas of your life, set your priorities and your goals, organize your time, and stop the negative self-talk. If you do this with confidence and purpose, as Thoreau implied, you can't fail.

Gary Billings is a Personal Coach. He is an expert in adult development. Much of his work centers on helping people make life transitions that enable them to do more and be more. He is a graduate of the University of North Carolina Chapel Hill where he earned a Ph.D. in Education.

## Retirement Planning Mistakes

Just because you invest in a retirement plan doesn't mean you will be financially secure when you decide to retire. If you are making these retirement planning mistakes, you could be in for a sad surprise.

## Withdrawing money from your retirement plan

By withdrawing money from your retirement plan, you lose valuable interest that is extremely difficult to replace. Some plans allow for hardship withdrawals and/or loans but you must be careful when taking advantage of these withdrawals. In addition to losing interest, you could face penalties or early withdrawal fees.

Not actively monitoring your investments

Monitoring your investments makes sense so that you are aware of any discrepancies. Monitoring also alerts you to how well your investments are performing or not performing. With LiveNow Financial Planning carefully tracking your investments, you will be better equipped to know when to switch to a different strategy.

Relying on Social Security for your retirement income

While social security might provide a substantial portion of your retirement income, you should have other means of income as a back up.

Relying on your spouse's retirement plan

If one spouse relies on his/her spouse's retirement plan for his/her retirement, he/she could be in for a very sad surprise. The spouse with the retirement plan could die leaving the other spouse with no income. There could be a divorce or even illness that could compromise the single spouse retirement plan.

Forgetting to review your plan regularly

If you forget or ignore reviewing your retirement plan on a regular basis, you might be losing a portion of your retirement income. LiveNow Financial Planning will periodically review your asset allocation, your balances, your goals, and so on to insure you are making the most of your plan.

Not taking retirement planning seriously

This very well could be the worse mistake a person can make about his/her retirement plan. Even if you are a very young person, your retirement plan should be a serious priority. By starting early, you can grow quite a large nest egg and might just be able to retire early. A lot of people feel they have plenty of time to worry about retirement planning once they have their home, put their children through school, bought the new Mercedes, and so on.

