

Retirement Done Right: How to Achieve Financial Wellness in Your Twilight Years Today

Saving and investing for retirement as early as possible is the best way to achieve financial wellness in the latter part of your life. This is due to the power of compounding interest. This means you will earn exponentially more than the value of your deposits because over time, you will earn interest on top of the interest that you've earned since you started investing.

However, even if you didn't start saving for retirement early, you can still create a plan that works for you. Here are some quick tips for getting there:

Find a financial advisor – Look for an advisor who is a certified financial planner (CFP). They are licensed and regulated, and take mandatory classes on different aspects of financial planning. There are plenty of reputable ones out there to assist you along the way. They will help you determine how much you'll realistically need to save, and then develop a plan to achieve your goal.

Focus on how much to save – If you're not sure how much is enough, spend some time using a retirement calculator. These calculators will give you a starting point for understanding how much you will potentially need in your retirement years.

Determine where to invest – There are a number of investment vehicles designed specifically for retirement. A traditional IRA can be a great way to build your retirement nest egg while enjoying tax benefits. Contributions may be tax deductible depending on your income, tax filing status and coverage by an employer-sponsored retirement plan. You won't pay tax on your earnings until you make withdrawals. Contributions to a Roth IRA are not tax-deductible. However, your earnings grow tax-deferred and withdrawals can be made tax-free.

Automatic Investing – Try to adopt an automatic investment plan, investing the same amount of money

at regular intervals regardless of share prices. This strategy helps you avoid trying to time the market and enables you to benefit from the effects of compounding returns. Additionally, by automating your investing, you significantly increase your chances of hitting your targets rather than spending money on unnecessary expenses.

Understand how much you'll receive from Social Security – If you are an American citizen, then you will receive a monthly social security check in your later years. The size of this check is based on your non-retirement salary and the year that you decide to retire. The later you wait, the higher your social security payments will be.

Consider the lifestyle you envision in retirement – Many experts recommend that you try to save enough to use 70 to 80 percent of your current annual income. This could include income from all sources, including your retirement accounts, other investments, Social Security and possibly a company pension.

Review your plan – After you develop a retirement plan, review it annually to ensure that your savings and investment choices are on track to meet your retirement goals. If they're not, you may need to increase your savings, rebalance your investments, or rethink your expectations for living in retirement.



What happens if you retire, and you haven't saved enough?

According to the National Institute on Retirement Security, the median retirement account balance for American households nearing retirement is \$12,000. Twenty-eight percent have saved less than \$1,000. This is not enough for most people to live off of.

What can you do to get by if you find yourself in this scenario?

Here are some tips.

Downsize: Many people find that later in life, they need far less space to live. By downsizing, you can achieve significant savings, and if you're a homeowner, you can take advantage of the equity you have built up in your house.

Consider transit options: If you live or move near public transportation, you might be able to sell your car. Think about how many times you actually need to get from point A to point B. You might be able to save by using a car-sharing service like Zipcar or a ride-hailing service like Uber or Lyft rather than making high monthly car payments.

Webinar Wednesdays

To Retire or Not to Retire (That is the Question)

Wednesday, Sep 6, noon ET

Join us and our special guest speaker, David Shotwell, CFP, as we will talk through some key questions that will need to be answered as you weigh your options about when to retire. Even if your date is set, you won't want to miss out, as we discuss drawing from Social Security, taking distributions from retirement accounts, earning income during retirement, and much more.

Financial Wellness During Retirement

Wednesday, Sep 20, noon ET

You've done it! You've worked hard all your life, and now your time is your own. Join us as we feature Matt Bowden, CFP, as he discusses ways to enjoy retirement, as well as how to talk with your family about your wishes and finances. We'll also talk about schemes and scams that target seniors and strategies to protect yourself.

To register for these webinars, please visit www.greenpath.com/gfw-webinar-wednesdays.



Join the Conversation on Facebook!

In June 2016, GreenPath launched a closed Facebook group designed to build an online community, to connect our current GreenPath customers together and support each other's efforts to reach our individual financial goals.

Our online community has over 1,200 members who share success stories, ask questions, support people along their journey, and offer tips and feedback.

We hope you will join our group and take part in some great conversations.

Because this is a closed, private group, you will be able to interact with clients like yourself in a non-judgmental atmosphere.

If you have a Facebook account, simply request access at <https://www.facebook.com/groups/GreenPathFriends>. We will confirm and then you can jump right in!

We want your feedback!

Do you have questions or ways we can make your GreenPath experience better? If so, please email us at suggestions@greenpath.com.

