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Advisor's Corner

5 Retirement Tips for 2020 and Beyond

Here's how to prepare thoroughly for your golden years.

Maurie Backman
(TMFBookNerd)
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1. Take advantage of catch-up contributions
If retirement is on your radar, it probably means that milestone isn't all that far away. If that's the case, and your savings aren't up to par, then it's time to get serious about boosting them. Generally speaking, it's a good idea to have about 10 times your ending salary socked away for your golden years. That means if you're in your late 50s or early 60s earning $100,000, and you're sitting on $250,000 in retirement savings, you're at risk of falling short if you want to leave the workforce within the next five years.

IMAGE SOURCE: GETTY IMAGES.

The good news? Both IRAs and 401(k)s offer catch-up contributions to workers 50 and older. For the former, you get a $1,000 catch-up that brings your total annual contribution limit to $7,000. For the latter, you currently get a $6,000 catch-up that gives you the option to sock away $25,000 on an annual basis. Come 2020, however, that catch-up is increasing to $6,500, and since the regular 401(k) limit is rising as well, you'll get a chance to set aside $26,000 annually for your golden years.

2. Know how to invest your retirement savings
The closer you get to leaving the workforce, the less aggressive your retirement investments should be. The reason? If the market tanks heavily in the near future, you may not have time to recover from losses before you need to start taking withdrawals from your savings. Therefore, if the bulk of your IRA or 401(k) is in stocks, and you're within a few years of retirement, it could be time to shift some of those positions to bonds instead.
But don't dump your stocks entirely. Rather, figure out what percentage of your portfolio should consist of them. One rule of thumb is to subtract your age from 110 to get at that percentage. That means if you're 60, you should have 50% of your portfolio in stocks. That's not a perfect formula, though, and a lot will depend on factors like your tolerance for risk and additional income sources you might have in retirement.

3. Sock away funds for future healthcare costs
There's a good chance healthcare will be your greatest expense once you leave the workforce. That's because you'll be on the hook for Medicare premiums and deductibles,

and you'll also need to grapple with the coverage gaps many seniors face. That's why it's wise to set aside funds specifically for healthcare purposes, and to this end, a health savings account, or HSA, is a good bet.

If you're currently enrolled in a high-deductible health insurance plan -- which, effective in 2020, means an individual deductible of $1,400 or a family deductible of $2,800 -- you can contribute money to an HSA to cover both near-term and future medical expenses. Any funds you don't withdraw immediately can be invested for added growth and carried all the way into retirement, and both contributions and withdrawals from an HSA are tax-free. Beginning in 2020, you can save up to $3,550 a year in your HSA if you're contributing as an individual, or up to $7,100 on behalf of a family. And if you're 55 or older, you get a $1,000 catch-up on top of the limit that applies to you.

4. Boost your Social Security benefits

Though you shouldn't plan to live on Social Security alone in retirement, those benefits could serve as a sizable income stream for you. Boosting them, therefore, is something it pays to do. The more you earn during your career, the higher your benefits stand to be, since they're calculated based on lifetime earnings, so don't grow complacent at work just because your career is winding down. Instead, fight for raises, go after promotions, and continuously research salary data for your industry to make sure your income is reasonable given your job title and experience.

Another good way to boost your Social Security benefits? Check your annual earnings statements for errors. If you spot a mistake and get it corrected, your benefits could rise as a result.

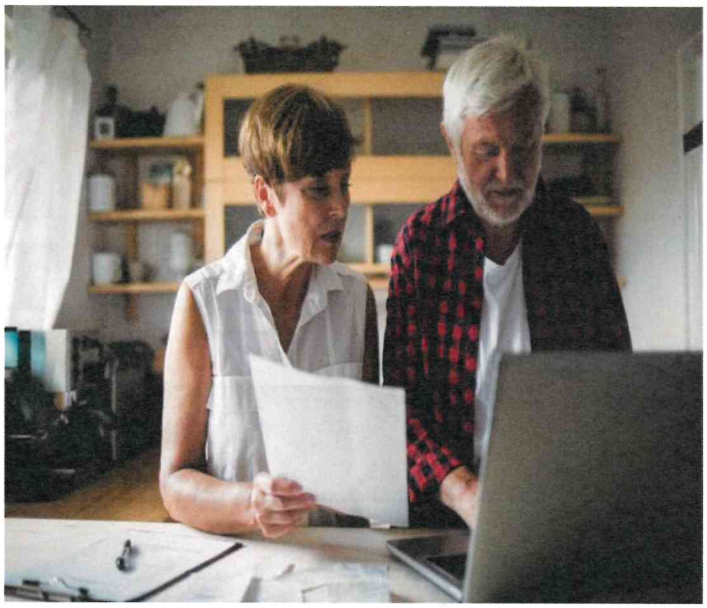

IMAGE SOURCE: GETTY IMAGES.

5. Start thinking about what you want to do with your time in retirement

Many seniors retire only to wind up bored and miserable. Even if you're not leaving the workforce just yet, think about the ways you want to spend your days once your career comes to a close, and determine whether you have enough savings to support those goals. Traveling extensively, for example, may be a good way to spend your golden years, but if you don't have enough money in your IRA or 401(k) to repeatedly globe-trot, it could pay to postpone retirement a few more years and boost your savings. Or, you could decide to reset your expectations. Both are reasonable solutions, but they're ones you'll want to work out before your retirement officially kicks off.

The better a job you do planning for retirement, the happier you're likely to be during it. Follow these tips, and with any luck, you'll wind up in a great position to enjoy your golden years to the fullest.

Tips for teaching money management to kids

By Mary Migliaro editor@ledgernews.com

Sep 27, 2019

Children are not born understanding how to manage money and very few parents take the time when their kids are growing up to teach them.

Financial management may or may not be taught at school, so teaching financial responsibility at home is critical. Children run a greater risk of growing up to make bad financial decisions, if they do not learn basic money values at home.

Elementary school is a great time to teach children the importance and value of earning and saving money. Begin using money as a means of teaching when toddlers first learn how to count, allow children to run their own lemonade stand and yard sales during the summer, enforce good saving and spending habits with allowance, and begin explaining price differences during grocery store trips.

Many middle school students have little understanding of finance and economics however they are beginning to enter the stage of their lives where they can start taking on more responsibility. Have pre-teens and teenagers start working jobs or doing extra work around the house and neighborhood to earn money. These are all excellent ways to instill the value of hard work and the importance of saving money.

According to Jumpstart Coalition for Personal Financial Literacy, the average student who graduates from high school lacks basic skills in personal money management. Many cannot balance a checkbook and have little understanding of basic concepts involving earning, spending, saving, and investing. It's never too late to start teaching your child about money management.

Consider using some or all these management strategies with your child:

♦ Integrate money into daily life. Take your child grocery shopping and compare the prices of two similar items. Discuss why the prices might be different. You could also let your child participate or watch when you pay bills and explain the process.

♦ Use comparisons a child can understand to help them grasp the value of money. Instead of stating, "Milk costs $4," you might say, "I have $4 to spend. I could buy a gallon of milk, two packages of chocolate chips, or two bags of apples. What would you choose?"

♦ Give your child an allowance but consider the frequency and amount. This will depend on your child's age and developmental stage. When your child has actual money, she learns how to handle it better.

♦ Model good financial behavior. Get your own financial house in order and be honest with your children. Let them know why you are doing what you are doing, and then embark on sound financial management principles as a family.

♦ Teach your children about choices in managing their money. Spending is not the only option for your child when managing his or her money. Saving, investing, or donating to charity are viable options.

♦ Back off and let your child learn. If your child wants to spend his entire allowance on an expensive toy that he thinks he must have, let him. In this way, he will learn that the money is used up and unavailable for other things he may have wanted, thus showing the value in savings and delayed gratification.

♦ Make it fun. Express thankfulness and gratitude for the money you have, and the ability to manage it wisely. Help your child to develop a way to earn extra money with something like a lemonade stand.

♦ Say no and mean it. Your child may ask for a loan or an increase in allowance and you may be tempted to give in. Your child will never learn how to live within their means if you keep giving in.

Remember that helping kids learn to manage money is not a fixed event but something done over time. Teaching your children good money management skills now will ensure they become financially secure adults in the future.

Date Night Ideas

Looking to enjoy a romantic dinner with your significant other? The local area has plenty to offer, from casual dining, just desserts or a steak dinner this list is sure to give you some ideas.

1.J. Michael's Prime – Check out their website and get tickets in advance. J Michaels usually celebrates Valentine's Day by giving back, last year their champagne and chocolate event raised funds for the Alzheimer's Association.

2.Downtown Kitchen- Located in historic Canton, Downton Kitchen has a variety of handmade meals, but the Hanger Steak is a must have. The dish is prepared by soaking the steak for 24hrs in Downtown Kitchen's signature marinade and topped with a red wine demi sauce, for melt in your mouth goodness.

3. Riverstone Corner Bistro – The candle lit tables and shiplap walls create a comfy and cozy atmosphere. Pair that with expertly crafted steak, fish, or shrimp dishes and you have found the perfect place to celebrate.

4. Alessadros - While this may be a more casual option for dinner the food will not disappoint. Alessadros is the perfect place to share some pasta but get separate desserts. Trust us you will not want to share the handmade zeppolis.

5.Rootstock and Vine - End the evening with a nightcap and a crème brulee trio or choose from the other desserts at Rootstock and Vine.

Winter Newsletter January – March 2020

AcuWellness
Atlanta

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Creamy Potato Soup

This Crockpot Creamy Potato Soup couldn't be any easier. It's cooked all day in the slow cooker and is great for a cold day. Top with bacon, cheese, and green onions for the ultimate potato soup.
Course Soup
Cuisine American
Prep Time 10 minutes
Cook Time 5 hours
Total Time 5 hours 10 minutes
Yield 8 servings
Author Christy Denney

Ingredients

- 1 (30 oz.) bag frozen hash-brown potatoes (I used cubed)
- 2 (14 oz.) cans chicken broth (see Note)
- 1 (10.75 oz.) can cream of chicken soup
- 1/2 cup chopped onion
- 1/4 teaspoon ground black pepper (more to taste)
- 1 (8oz) package cream cheese (softened)
- Optional Toppings: cheese, bacon, sliced green onions

Instructions

1. In a slow cooker, combine potatoes, chicken broth, soup, onion, and pepper.
2. Cover and cook on low for 5-6 hours. If your potatoes are still in big chunks you need to cook it longer. They will start falling apart when it's ready.
3. Add the cream cheese and cook 30 minutes or until cream cheese is melted, stirring occasionally, until combined.
4. Top with cheese, bacon, or sliced green onions if desired.

Up & Coming Events

January: **Principles of Retirement Planning**- A one-night course produced by SRE held on **January 9th, January 14th, and January 21st**

February:

Principles of Retirement Planning- A one-night course produced by SRE held on **February 13th and February 18th**

March : **Principles of Retirement Planning**- A one-night course produced by SRE held on **March 26th and March 31st**

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