Are Baby Boomers saving enough for retirement? Things you can do so you can live your life.

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Baby boomers nearing their retirement are all facing the same burning question, "Will I have enough yearly income to sustain my current lifestyle for the rest of my life?"

It is a valid dilemma with a whole new uncertainty about it. In the last ten years, those saving for retirement experienced the extreme volatility in the stock market; its collapse caused many to lose a great deal of money. Using benchmark indexes for comparison, long term investors lost an average of 25% of their stock market invested wealth during the last decade. By extension those investing for retirement have lost one quarter of their potential retirement income, and that may have created a precarious situation for those relying on maintaining a familiar lifestyle.

Uncertainty and the general publics' limited knowledge of investments, generates desperation for advice to make up their lost income. Taking a proactive stance and doing a bit of research can only benefit one's potential for attaining the customized information needed to help safeguard assets against future pitfalls. On a positive note, until then, there are still some powerful steps that can be taken to move the investor forward.

For starters, one of the most important things to know in order to plan accordingly is what your income needs will be during your retirement years. Once that dollar amount has been established, it is then necessary to calculate how much money you will need saved and invested to generate your yearly income objective. Sound complicated? Not at all. There are retirement calculators available on the internet that may assist in making those calculations. We used one we found on the internet http://www.calcxml.com/do/ret02. Enter your numbers and the resulting answer will give you a guide post. Once you have an income goal, here are some thoughts on how you may constructively do to help achieve your retirement goals.

1. **Actively manage your portfolios**. Stop riding down stocks or mutual funds that are collapsing. When an investment depreciates, manage the risk**.** If you don't have a risk management methodology in place, seek out a professional or manager who has demonstrated their ability to limit risk. For example, in May 1, 2000, risk shifted within the Large Cap arena. Large Caps went out of favor and the Small Cap arena flourished. From May 1, 2000 to September 10, 2010, Small

Caps as measured by the S&P 600 Small Cap Index gained 62.67% versus Large Caps as measured by the S&P 500 Index losing 24.8%.[1]

2. **Build in Dependable Income Streams**. The key to a great retirement (other than good health) is a consistent, reliable income. Therefore it is critical to build dependable income streams wherever possible. These may include bonds, CDs, and variable annuities

3. **Work with your entire financial team to come up with a comprehensive plan.** Set a meeting with your CPA, attorney, financial advisor, and insurance agent and discuss the following areas:

    - Wills and Estate Planning
    - Medical & Healthcare planning
    - Money Management & Retirement Planning
    - Tax Planning
    - Insurance
    - Long Term Care

You want to make certain your financial team is doing everything possible to ensure all aspects of your financial life are covered against potential events that could prevent you from achieving your goals. Things to consider: Do you or will you need a Medicaid Trust, Long Term Care insurance? Do have asset protection plans in place? Are you doing everything possible to reduce your estate taxes? Have your wishes regarding your beneficiaries been accurately recorded and planned?

By focusing your team on these issues, you will be better prepared for any shortcomings that may arise during retirement. Being prepared can empower you to focus on the most important aspect of retirement - living your life enjoyably!

[1] Source: Dorsey Wright & Associates