



DO YOU HAVE A RETIREMENT PLAN B?

You may have one or more qualified retirement plans, such as a 401(k) through an employer or an individual retirement account (IRA), but do you have a Plan B? While it's not a savings or investment vehicle, a Plan B can help you make more confident decisions about your finances when life takes an unexpected turn.

Why consider a Plan B?

Prudent planning and a disciplined approach to saving are critical for pursuing your retirement goals, including the ability to retire when you choose. However, unanticipated circumstances such as a serious illness or job loss can throw a wrench into even the best laid plans. That's something many American workers have experienced firsthand, according to the 2017 Retirement Confidence Survey. Among 48% of workers who retired earlier than planned, 41% cited hardships, including health problems or a disability; 26% experienced changes at their company, such as downsizing or closure; and 14% had to retire early to care for a spouse or family member.¹

Unanticipated early retirement can be highly stressful. In many cases, individuals simply aren't psychologically prepared to leave the workplace and transition to a different lifestyle. Others are not financially prepared. Having a contingency plan in place is not only beneficial for reducing anxiety when unexpected events occur, but for helping to prevent your long-term plans from being derailed.

The first step is recognizing that retirement planning is not a "once and done" exercise. Life and financial market events can occur at any time without notice. That's why experienced advisors encourage clients to regularly review their financial progress and evaluate how different financial decisions and circumstances may help or hinder progress toward their goals. By considering how outside influences and events, or changes in your plans, priorities or spending habits may impact your retirement income over time, you can make informed choices if or when changes to your strategy are warranted.

Retirement confidence begins with having a comprehensive plan in place that seeks to manage risk and help you remain on track toward your goals. If you'd like to learn more about planning for the unexpected in retirement, contact the office to schedule time to talk.

¹<https://www.ebri.org/pdf/surveys/rcs/2017/IB.431.Mar17.RCS17..21Mar17.pdf>

LOOKING FOR A NEW GIG IN RETIREMENT? VOLUNTEER YOUR WAY IN.

More Americans reaching retirement age are choosing to continue working than ever before. According to the U.S. Bureau of Labor Statistics, about 34.4 million Americans over the age of 55 were in the workforce last year, including almost 9 million Americans age 65 or older.¹ Participants in a nationwide survey on the state of retirement cited the following as the top reasons for working in retirement:²

- To remain active and involved
- Because they enjoy working

More money to buy extras

A growing number of Americans view their retirement years as an opportunity to branch out and try something new, including a change in career. However, a lack of experience in a given field can be a hard sell for many potential employers. One way to overcome this obstacle is to volunteer your way in. Serving as a volunteer or accepting an unpaid internship can be an effective way to get your foot in the door if you can swing it financially.

Volunteer work and internships can provide an opportunity to showcase your talents and test the waters to determine if a certain field or workplace culture is a good fit for you. Conversely, it provides potential employers with a low-risk way to evaluate a candidate's skills and fit within an organization and can be a stepping stone to paid employment.

If you do choose to work in retirement, be sure to contact the office to discuss the financial implications. Earned income in retirement can impact your taxes, Social Security benefits (for those under full retirement age), and the amount you pay for Medicare Part B and Part D if you're age 65 or older.

Contact the office today if you have questions about managing income in retirement.

¹ <https://www.cbsnews.com/media/9-jobs-with-the-oldest-american-workers/>

² <https://www.ebri.org/pdf/surveys/rcs/2017/IB.431.Mar17.RCS17..21Mar17.pdf>

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