BENNETT, BENNETT & JOHNSON
FINANCIAL SERVICES

BB&J

Ten Tips for a Successful Retirement

1. Ensure you have sufficient retirement assets prior to retirement.
    a. As a financial advisory firm, we have access to software that presents multiple scenarios to help retirees feel comfortable that funds will last throughout retirement.
    b. Postponing retirement by a year or two can make a tremendous difference when calculating how long retirement funds will last.
    c. Our firm uses a "buckets of money" method to provide a structure for retirees. This helps clients understand how much income their savings will provide throughout retirement.

2. Determine what your monthly income need will be during retirement.
    a. Review your spending records for the past several months, including non-regular expenses such as taxes and insurance.
    b. Complete a one-time monthly budget for post-retirement living expenses.

3. Enter retirement without a mortgage.
    a. A mortgage adds an unnecessary amount expense and worry that oftentimes makes retirement stressful.

4. Create/update your legal documents.
    a. We encourage clients to have a last will and testament, power of attorney, and advance directives.

5. Have something to look forward to in retirement
    a. It's important that new retirees have something that they are passionate about. It could be hobbies, involvement in church or clubs, or even part-time work or volunteering. These activities can all help a person transition into retirement.

6. Purchase the correct investment products
    a. As a fiduciary, we offer investment options that are best suited to each individual client.
    b. Investing in the wrong investment can leave a retiree with high fees, low returns, and large penalties to exit the investment.
    c. Some investments are so complex that even the salesperson sometimes does not really understand the investment.

7. Be able to say “no”
    a. For people who continue financial support for children after they are adults, it can become difficult to say “no” to requests.
    b. Since retirees no longer have income from work, new retirees can jeopardize their own retirement and financial security by continuing to overspend on adult children.
    c. For retirees with special needs children, it is important to work with a financial advisor who has expertise and experience in this area.

8. Do not relocate
    a. Many people dream of moving to Florida or some other location when they retire. This can be the right move for some, but it can also be a mistake when all factors are not considered.
    b. Moving to a new location can mean leaving friends, family, church, and social groups, and can cause retirees to feel isolated and lonely.
    c. Moving to a new area can also be expensive and jeopardize one’s retirement savings.

9. Invest at an appropriate risk level
    a. Age plays a large factor in determining an appropriate risk level.
    b. It is important to maintain at least a portion of your investment assets in equities, which allow for growth.
    c. Remember a 65-year-old could still have a time horizon of thirty years or more, so investment assets would need to be sustainable for the remainder of the lifetime.

10. Work with a financial advisor
    a. While many people can research investments and use planning tools to prepare for retirement, most will benefit from working with a professional.
    b. The combination of experience and planning tools offered by financial advisors can help prepare and execute a successful retirement.