Your Retirement Planning Guide

A Guide To Effectively Plan Your Golden Years.

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Consider Your Financial Retirement Options

When it comes to planning your retirement you will find that there are many options available to the savvy investor. The problem isn't necessarily in investment opportunities but the knowledge that is needed in order to turn those opportunities into wild successes. For this reason alone, I recommend that your first stop along the path to financial retirement investment be at the door of a competent financial planner.

Most of are more than willing to go to the experts for advice when problems arise and yet for some reason have major problems seeking the services of those who are trained to assist us in our financial planning endeavors. You should consider your options carefully and decide what is in your best interest. The best way to do this is with the information that a good financial planner can provide and by listening to his or her guidance.

One thing you will probably be told is the importance of diversity in your investment portfolio. We all have been told many times never to put all of our eggs in one basket and the same holds true when it comes to investing your retirement. All investments are a gamble; some carry more risks than others. You must keep in mind that every penny you invest is subject to loss however and make your investment decisions by how much of a risk the particular investment presents and how much you are willing to lose if the investment doesn't pan out.

Perhaps the most common investment choice for retirement funds is mutual funds. These offer the ability to invest long-term with lower risk than many other investment options you will come across. These funds present a higher risk than other investments but are a good moderate risk investment for those who have little knowledge of how the market actually works. There is a fund manager that is in charge of making the actual investment decision for the collective pool of the fund and his or her job to decide where to put the money for which they have been entrusted. This leaves the critical decisions out of your hands and off your mind.

If mutual funds seem boring to you, there are other higher risk investment opportunities in the form of stocks. I seriously recommend studying the market carefully and completely before making the leap into stock trading but this can be quite the short-term quick profit rush that you are looking for if you are willing to risk your retirement investment for the sake of increasing your net worth. If you do choose to invest in the stock market please take the time to learn the proper procedures, the risks, and the process before diving in. If you have a financial planner (and you definitely should) then he or she may prove to be an exceptional resource when it comes to the practice of 'playing' the stock market.

Securities are a very complicated process that many of us would feel better never needing to understand. If you need a little more adrenaline pumping, heart clutching moments when it comes to you financial retirement and are willing to risk the need to work for the rest of your life in the process you may find that this is just the boost for you. Be sure however, not to rest all of your hopes and dreams for retirement on the allure of securities trading as this is a very high risk field for those who do know what they are doing. For those who have little experience it can prove to be a financially fatal flaw.

Learning the ins and outs of the investment process in addition to the options that are available to you through the course of your own financial retirement planning is like going to war with the proper weapons and armor rather than a slingshot and a rock. The problem is that while there are some financial Goliath's out there that are simply waiting to be tamed, most investment strategies present their own unique needs that should be understood and monitored.

Diversity Is Key In Retirement Planning

When it comes to planning your financial retirement diversity really is the key to turning a significant profit. You do not want to have all your eggs in one basket. For this reason it is an excellent idea to have a number of fingers in a number of pies, financially speaking of course, at any given time. There happen to be a lot of interpretations, unfortunately, of what it means to truly diversify your investment portfolio.

There are those who believe that to diversify your portfolio you only need to choose stocks in various sectors rather than focusing on one. This was a huge problem when the Dot Com boom went Dot Bust. Many people learned valuable lessons during this time frame and have taken it a little bit to heart. However, there is nothing to say that we will never again experience a significant stock market crash. If this were to happen and your entire retirement hopes, dreams, and funds rested on the stock market for salvation you would be in deep and shark infested waters financially as a result.

I do not mean to imply that a stock market crash is probable or imminent by any means. The closest we've come as a nation to a stock market crash in recent memory was immediately after 9-11. The good news is that safeguards were put into place years ago to prevent a crash of the scale that we all know as "The Crash". This means that while you may take heavy hits, chances are the market will recover if you are willing and able to wait it out. However, if you are putting yourself in a position to rely solely on stocks you need to take a serious look at your overall investment plan and see where changes can be made.

It goes without saying that no decision in regards to your financial future should be made without first discussing them with your financial advisor. My purpose here is to bring up questions and ideas you might wish to consider or at the very least discuss with your advisor.

My personal preference is to have some money tied up in mutual funds and other money tied up in real estate, which can provide some form of continuous income month after month. I'm not much of a gambler however and have chosen a low risk path to retirement financing and funding. There are those who are far more adventurous than I when it comes to investing in their financial futures. For those of you who are willing to take the risks there are securities as an investment in order to provide a wildly speculative ride. Securities are very risky for investors; particularly those who are novices and even some seasoned investment veterans tend to shy away from this sort of investment. If you do invest in securities, I strongly urge you not to risk your entire investment on them.

Mutual funds provide a little safer bet when it comes to your financial future. Again there are no guarantees but these are much safer bet than securities. The problem with mutual funds for many is that there are so many from which to choose that it is still a difficult decision for beginning investors to make. These decisions are the reason that a good financial advisor is so terribly important when mapping out your financial destiny.

All in one funds are essentially collections of mutual funds. These provide a safe bet for those who wish to find an easy investment possibility that is a fairly safe (if not wildly conservative) to place your money and watch it slowly grow over time. All in one funds do tend to become less aggressive in time. This means that as you age, they will become more conservative in the placement in your money in an effort to best protect it while still growing your money.

By placing a little of your money in many different places, you will see a much greater safety net when it comes to protecting your profits. Discuss your plans with your financial advisor and any concerns that you may have. Chances are they can help clear up any questions or doubts that you may have.

Final Notes For Financial Retirement

When it comes to investing, whether you are putting aside money in order to send your children to college or aggressively saving for your eventual retirement there are many things you should keep in mind when making your investments. Keeping these things in mind will help you take the successes and losses you experience along the way in stride. This is important as we must keep going and investing if we want to build a solid retirement for ourselves or education for our children. If we give up and decide to play it safe we are seriously limiting our potential. You must learn from your mistakes and work hard not to repeat them rather than letting them rule your future investments.

The first and most important rule to remember is that there are no absolutes. There is no absolute right or wrong method of investing just as there is no one right or wrong way to save your money. There are only the methods that you are more or less comfortable with. The good news is that while diversity is the key in building a strong portfolio, there are many options from which to choose in order to keep your portfolio diverse and, more importantly, profitable.

For today's investor there are all kinds of venues to pursue. You have the choice of stocks, bunds, mutual funds, property investing, and many categories of each of these in between. You should seek the services of a financial planner in order to help you get through those areas that are confusing to you or those that make you uncomfortable. If you are still uncomfortable with certain types of investing after speaking with a planner there is no specific reason that you must pursue any one course of investing over another. It is often the wiser course of action but not necessarily the correct course of action for you as you are likely to make mistakes out of nervousness rather than allowing the fund to do their job and make money for you.

You should also never invest in companies, bonds, funds, etc for any reason other than you feel they will provide a good return on your investment or you really want to support that particular company. Do not be pressured into making an investment decision that you are not comfortable with unless you are having a hard time risking your money at all. In order to get the returns you will need to provide a proper retirement you will need to take some risks. The greater the risks the greater the potential rewards.

Whether or not you realize it, the choices you make when it comes to your investments affect every aspect of your future retirement or your child's education. You cannot afford to risk those important things too terribly long by being paralyzed by your fear. Fear and anxiety are quite common emotions to experience when handling funds that will have such a profound effect on your future and that of your family. This is a time when a financial advisor or planner is an excellent idea as he or she can take over the reigns within reason or course, during these times and pick things up and get them moving in the right direction once again.

There will be setbacks along the way when you are investing funds. I do not personally know anyone who has never lost any money in the stock market. I also know that when you lose money even 50 cents can seem like a tragedy if you allow it to. You must see the bigger picture rather than hyper-focusing on one good or bad decision.

IRA vs. 401 (k)

Many people find all the options that are available when it comes to retirement planning to be quite confusing. If you are one of those this article is dedicated to explaining the differences between a 401 (k) plan and an IRA (Individual Retirement Account). There will be many terms you will come across during your research that will be somewhat confusing until you get the terminology down. The path to financial doesn't have to be as complicated as we tend to make it.

I would like to take this opportunity to encourage you to seek the guidance and advice of a professional financial planner. The resources and knowledge that a competent financial advisor can share with you will be invaluable when it becomes time to make the decision that will affect how your retirement savings are put to work for your retirement. We go to a mechanic for mechanical advice (at least I do) so it only makes sense that we would go someone who has trained in financial matters for financial advice.

Getting back to business, when it comes to financial retirement planning you should find that both IRAs and 401 (k) plans have strengths and weaknesses. There are also limitations as to how beneficial they can be when used in combination with one another as well as their own limitations. Every benefit that aids you in taxes and retirement should be considered carefully before leaping.

Let's first look at the 401 (k) plan. This is a plan that offers a few benefits that are much preferable to many over other retirement plans. The first thing you might want to consider is that you can invest up to 15% of your salary or a maximum of $15,000 per year (as of 2006). Of course that is assuming that your employer doesn't have limits on how much you can invest. The money invested in your 401 (k) account is pre tax money so it lowers the amount of taxes you are paying out of each paycheck. Many people also find that because the money is taken from their checks before it arrives it is far less painless to part with. As someone who has closely watched taxes, FICA, and Fido get my money for years I can say that it is no less painful for me but some find it comforting and that is a real benefit. Finally and perhaps the most important thing to consider is that many employers will match a percentage of your contribution up to a certain amount each check. As an employee this is a boost to your investment that is well deserved and hard earned. I hope you appreciate the implications it has on your future earnings. You should keep in mind that the penalties for accessing these funds early are harsh indeed in order to discourage this practice from occurring. Take care that you do not over-invest in these funds to the point that you will need to access them in times other than dire emergencies.

IRAs are another creature all together. You will find much stricter limitations on IRAs than on 401 (k) plans beginning with the fact that if your employer offers a 401 (k) you must make very little money in order to qualify for the tax deductions that this particular retirement fund generally allows. The maximum yearly contribution for your IRA will be $4,000 or 100% of your annual income; whichever is greater up until the age of 49. Once you've reached the age of 50 you can invest an additional $1,000 to your fund. The other major drawback when it comes to an IRA is the fact that you must begin receiving payments at the age of 70.5 from your account. You will also be heavily penalized if you make an early withdrawal from these funds.

Whether you choose a 401 (k) plan, a Traditional IRA, or both for your financial retirement investments, I hope you will take the time to discuss the benefits and disadvantages of each with your financial advisor before making your final decision.

Long Term Retirement Planning

We all know that sooner is much better than later when it comes to planning your retirement. The more money you sock away and the longer that money has to grow and work for you, the better the position you are in to enjoy your retirement to its fullest. With this in mind, you need to approach all of your retirement investments as long-term rather than quick turnover investments.

It is often tempting to risk it all for the promise of a high return on your investment but you must remember that with great reward comes great risk and most of the time your security is simply not worth that particular risk. There are several different types of long-term investments that you may find to be reasonable and even attractive investments.

Bonds are a popular long-term investment. These are very much like bank issued CDs with the minor exception that bonds are issued by the government. There are many kinds of bonds and you should research them all before committing to one over another. If you select the right bond you might find that given enough time your bond will double in value over time.

Mutual funds are another popular investment for long-term investors. These are pools of money that are combined in order to invest in stocks, bonds, and other short-term investment ventures including securities. These funds are handled by the fund manager who decides where and how the money will be invested. This leaves you to reap the rewards that his or her experience will bring in for you over time.

Stocks are another popular option for those interested in long-term investing. It should be noted that investing in stocks is much riskier than investing in mutual funds though the payouts when things go well are often much more substantial. If you decide to delve into the realm of stock market investment you should be aware that every transaction costs money, that you need to thoroughly research the ins and outs of this type of investing, and that you are taking a substantial risk with your retirement investment. You should also be absolutely certain that you thoroughly research the companies in which you plan to invest and only invest in companies that are well established and showing strong potential for future growth.

With any major financial decision you should consult your financial advisor for guidance and advice. His or her job is to help you turn your limited investments into as much money as possible in order to secure your future and your retirement. The guidance that a good financial advisor can provide when it comes to long term investing is invaluable and should not be discounted or taken for granted any more than the advice you would receive from a doctor or an attorney.

My favorite type of long-term investment is real estate. While there are those that will argue that the return on this investment is too minimal to save for retirement I would argue that the fact that properly maintained and rented units will pay for themselves over time making them pure profit when the time comes to sell or simply to maintain a monthly income throughout your retirement. The more rental properties you own the better your financial position and the more options you have when the time comes to sell those properties. Real estate is one field in which fortunes are made and lost on a regular basis. Rental property is the safest bet for most when it comes to long-term investment and the most significant return on investment. There are options that go well beyond buy and hold when it comes to real estate. If this doesn't excite you perhaps rehabbing property or the even more speculative field of pre-construction investing will offer more appeal.

Long-term investments will be the primary fuel for your financial retirement funds and plans. You need to carefully consider the best possible option for your needs and work towards you financial goals.

Planning Your Financial Retirement

While there was once a standard age for retirement in this country and people could count on their company pension plans or retirement funds to get them through their twilight years we are finding that people are often living longer than their funds intended and that their quality of life in these years is much better than in decades past. In fact, we are seeing a growing number of retirees that are dedicated to health and good, clean, fun living. This is something almost unprecedented throughout history and yet our retirees are younger in many ways than ever before.

This is where the problem kicks in for most. If you haven't heard, social security, which was meant to secure our golden years is in serious financial trouble. Part of the reason for this is because people are living longer than was intended when this program was invented. For this reason, we are seeing more and more young people taking their financial retirement planning into their own hands-particularly as we are witnessing more and more retirees coming out of retirement in order to put food on their tables because their retirement funds aren't enough to make ends meet.

It's really sad to see those that must return to work in those years where they should be watching their grandchildren playing rather than going into work day after day. If you don't want this to be you then action needs to be taken. You cannot depend on social security for your retirement and chances are that social services will be a long forgotten thing of the past by the time we reach retirement age. There are several things you can do that will help you when it comes to setting aside and investing money for your retirement.

The earlier in life you begin socking away money for your retirement the better. This of course does not mean that there is no hope if you wait until later in life only that you will need to make more substantial investments and save more aggressively if you choose to wait until a later date.

One thing you should carefully consider when planning for your retirement and setting aside funds for that end is how much money you feel you will need in order to have the quality of life you hope to have upon retirement. Many people are working longer than in the past in order prolong their investment period. It helps if you set specific goals so that you have a number to work towards. You should discuss your plans and goals with a financial advisor from the very beginning in order to get the most accurate advice that is customized for your individual needs.

Just as there are very few things in life that are one size fits all, the same holds true when it comes to planning for your financial retirement. We all have goals for our golden years. Some of these goals include jet setting around the world while others of us seek little more than a modest existence, a garden to call our own, and a steady supply of good books to on our nightstands. There are all kinds of retirement plans and they will each require their own unique and individual means of funding.

One important thing you need to keep in mind is that while saving is great, investing is often the wiser option for increasing your funds and netting larger earnings upon which to retire. There is risk involved in investing and you need to be aware of those risks before choosing to do so, however, there are many times where the rewards far outweigh the risks that are associated with investing.

You should always discuss your retirement plans and goals with a qualified financial planner. He or she can offer advice and guidance that could make a huge impact on the scope of your retirement and your lifestyle upon retiring. Choose your planner with as much care as you choose the plan for your financial retirement and you should be in good hands.

Properly Planning For Financial Retirement

The vast majority of people reading this will never receive the benefit of social security for the purpose of retirement-unless of course serious adjustments are made in the current system. There are simply too many people living much longer than anticipated. At the same time, regardless of how much you've managed to pay into social security over time it is doubtful that anyone could live on the amount of money they would receive in social security benefits even if they had no other significant bills to pay such as house notes, car notes, or insurance on a home or automobile.

It amazes me that my grandparents managed to live on the modest sum that was earned from my grandfather's retirement and social security. They were never wealthy but in the last decade or so I understood just how little they had and yet they managed somehow to have all the things they absolutely needed in order to survive. I know that in the world of today, their meager incomes would not even begin to make ends meet for groceries let alone utilities and other necessities in life.

It is because of the struggles my grandparent's faced that I have devoted a good deal of time and effort into making sure that we do not go through those same challenges and struggles upon retirement. We have taken steps today to insure that we will have income throughout our retirement as well as a few carefully crafted investments to pull us through. I do not believe that I have all the answers and for this reason we have relied heavily upon the advice of our financial planner. He has helped us discover avenues for investing money and methods of doing so that have been nothing short of amazing for us as we watch our holdings grow year after year in preparation for retirement.

If you haven't taken the time to find a financial advisor for your investments there is no time like the present to do so. Even if you are nearing that magical number you might be amazed at the guidance and advice that can be offered by a competent financial planner to maximize your short and long-term investment and retirement planning needs. I believe you will be amazed at the financial miracles a good financial planner can work with even the most modest of investments with which to work.

You should also make sure that you take care of as many of the recurring bills as possible before you retire. It helps greatly if you have your home paid off and do not have the worry of a monthly mortgage payment. Another thing that is good to keep in mind is that you will want to downsize rather than upsize at retirement. Eliminate the second car and ride together when possible (this also eliminates an insurance payment as well).

If you are planning to move to a particular area of the country for your retirement you may want to begin now, as early as possible, seeking property in that area at a much lower price than you will pay ten to twenty years down the road when you actually get around to retiring. This will increase the likelihood that you either have your retirement home paid for or are very close to having it paid for. Another thing to remember is that you will want to get a smaller home for your retirement rather than a larger home that you will need to care for. This means you can eliminate some of the utility costs, which may prove substantial.

The most important thing to remember when planning for retirement is that it is your retirement for which you are planning. Make sure you set aside funds to make your retirement worth retiring for. Don't merely exist throughout your retirement because you can't afford to live, take the steps now to insure that this is not going to be a problem for your retirement years.

Property Investment For Retirement

While many fortunes have been made and lost in the real estate business, many people overlook the value of real estate investing when it comes to planning for retirement. There are many great ways that you can let real estate build a nice little nest egg for your retirement and the sooner you begin the process the better.

While there are all kinds of stocks and mutual funds that confuse even the most intelligent among us, real estate is a pretty straightforward business to get into. The problem is that many people feel it is too risky. The truth is that there are many different types of real estate investing that all carry different risk to the buyer. One thing is for sure and that is that with proper care and attention properties tend to gain value over time rather than lose value. If you purchase properties today and properly maintain them, you can not only reap years of rental income while paying the mortgage on these properties but you can also find your retirement home and pay today's prices for it rather than the prices of tomorrow.

When it comes to real estate it is always good to arm yourself with knowledge before taking any steps and you should carefully discuss all plans for your financial future with your trusted financial planner or advisor. His or her job is to give you guidance when making plans and purchases that will affect your financial stability and security. They can also help you with the matters of taxation, cost analysis, estimated inflation, and the average rise in property value for an area.

As I mentioned before there are always risks when it comes to any sort of investing. The same holds true for real estate investing. Things can go wrong. On occasion you will find lemon properties, for this reason you need to have a complete and thorough inspection performed before you purchase the property. You should also make sure that you are aware of your state and local laws as they apply to landlords. For this reason it is a good idea to consult with an attorney that specializes in this type of financial investing in addition to your financial advisor.

Rental properties aren't the only way to build a property investment portfolio. There are all kinds of property investment opportunities for those that are willing to take the risk. When it comes to property investing, the greater risks often net the greater potential rewards. The thing you must remember is that you are gambling with your financial future. I tend to stick with rental properties as they are a fairly safe bet and actually pay for themselves over the years while building a nice nest egg for my future.

There is the eternally fascinating investment opportunity that property flipping presents for one. When flipping a property you purchase a property below market value-preferably one that requires minor cosmetic repairs. Make the repairs. Then sell the house for a substantial profit. This is a risky venture for those who are novices to the field and many would be investors have lost a great deal of money doing this. Successful investors however can net significant profits in a very short amount of time if they have the knowledge and skills to do the work themselves and time things perfectly.

There are even more property investing opportunities that provide even greater risk, as they are highly speculative known as pre-construction investing. This is the type of investing that creates millionaires. On the flip side it has sent many into bankruptcy along the way as well so tread very carefully before engaging in this sort of real estate investing and take great care never to invest more than you can afford to lose.

As you can see there are ample opportunities in real estate to create an outstanding financial retirement plan for you and your family. The only decision you need to make is whether or not this type of investing is a good fit for your comfort zone.

Retirement Planning For Where You Will Live

There are many things that people plan for when planning their retirement. They plan for the travel they wish to do, to have money for gifts for the grandchildren they hope to have, and all kinds of wise and practical thing. In the process, however, many people neglect to plan for where they wish to live upon retirement. We are seeing a growing trend of retirees moving to certain communities. This is all well and good. It's nice to be around people of similar ages and interests and live in communities that cater to those interests. However, one thing is often overlooked during the process. The prices in these communities, and the average cost of living are quite likely to be different than the cost of living where you are. This is true unless you plan to retire where you live.

The fact is that there is a growing trend among retirees to migrate to certain population centers. The entire coastal region of Florida would almost qualify though not all communities in this area are equal when it comes to being retiree friendly. The problem is that most people who retire live on limited budgets and can't afford the high dollar real estate that is part and parcel for these areas. One solution to that is to decide where you'd like to retire and buy real estate in that area early.

There are all kinds of housing communities being built around the nation as we speak. In addition to these communities high rise towers and condominiums are being built to cater not only to time-share renters but also retiring baby boomers that are moving into these areas. The earlier you buy the better, as property values do tend to increase gradually over time. There are trends and twists and turns but for the most part, property will gain in value given enough time in which to do so. The good news in these 'time share' and popular destination areas is that you can own the property and rent it out for a little extra income while you are biding your time waiting for retirement.

Once you've purchased a property in the area you can make the rounds and get a good comparison for the value of goods and services in the area compared with what you are accustomed to. You can add the difference in your calculations for what you will need when making your retirement plans. Failing to do this can result in some very sad situations many retired people find themselves in. These could include living in sub standard and unsafe housing and not having enough money left after paying the rent to cover the cost of food and medication much less other needs that may be encountered.

You should also make sure that you add the little cushion of money into your planning so that you can occasionally through caution to the wind and do something fun. After all, what good is it to be retired if you can never afford to live it up a little? Make sure you have enough money set aside to take that cruise every spring or fly up to see the grandkids two or three times a year. You want to make sure that you can enjoy your retirement or you will find endless days of staring at the television. What fun is that?

The costs of living in this country from one region to the next can be significantly different. If you do not consider where you will be living upon retirement when calculating the numbers you are doing yourself a great disservice. This is definitely something you will want to discuss with your financial planner before it is too late to make the changes that will affect your future and retirement needs. It is good to have dreams of where you'd like to retire but it is even better to take the steps necessary to make your retirement dreams a reality.

Serious Considerations For Financial Retirement

There are a few things you should keep in mind when planning for your retirement. First of all, you probably shouldn't hold your breath when it comes to social security being able to cover even a small portion of your retirement if the service even exists in any form of its former self by the time you are facing retirement. The second thing you need to keep in mind is that your needs upon retirement depend greatly on how you live your life now and how you plan to live once you retire.

There are many who live very conservatively now in an effort to save up their money for retirement and really live it up at that point. The problem is that they are basing their retirement living on their current lifestyle, which is not a good comparison. The problem is that the vast majority of Americans are earning just enough money through their jobs in order to make ends meet. The idea of finding any money to sock away for retirement for most Americans is difficult at best and absolutely impossible in some situations.

The first step when it comes to successful financial retirement planning is to map out how much money you are going to need in order to maintain your current lifestyle upon retirement and go from there. Most estimates are that you will need to bring home on average 75% of your current take home salary in order to maintain your current lifestyle. The understanding is that you will eliminate many monthly expenses by no longer working however some find that this simply isn't enough so you should be careful when relying on this figure.

You should also plan for inflation when planning your retirement as well. It will take more money in the future in order to have the same standard of living. You should also consider that our expectations tend to increase over time and you need to be able to live within the limits of your budget when the time comes. It will be difficult to take out additional funds once you've reached retirement age. For this reason it is in your best interest to plan ahead and plan carefully. The more modestly you live today in an effort to invest more money for your retirement the better chances you will have to enjoy a better lifestyle upon retirement.

You should also be careful that you do not sacrifice the moment in search of a better retirement. You need to be able to take vacations, save money for the things you want and need, in addition to covering the necessities of today. We aren't guaranteed that we will be here for retirement though that is hardly a reason not to invest and save for that day. However, we should never sacrifice the moment and the childhood of our children for the sake of an eventual retirement. As long as you are making significant progress you are doing better than a large section of the population and you can opportunities later to invest greater amounts of money towards you retirement.

The problem is that most people do not begin growing concerned over their retirement picture until it is too late to make significant progress. Begin early making plans for your financial retirement in order to insure the greatest possible success. Pay off your major debts such as student loans, home loans, doctors' bills, car notes, and credit cards whenever possible. These are constant drains on your income that you do not need once you've limited or 'fixed' your income. In addition to your 401 (k) or IRA funds you can start your own investment account by having the bank automatically draft a portion of your check each pay period. You can also 'pay yourself' an extra bonus by depositing extra funds anytime you get extra money like a bonus check at work or payment for services outside of work. Take every opportunity you have to boost your retirement account.

Types Of Retirement Plans

We all know that there is a growing need in this country to take our retirements into our own hands if we want the funds necessary to have any quality of life upon retirement. The problem is that most of us have no idea where to begin when it comes to financial retirement planning or investing. The sad news is that for most of our lives retirement was something that was taken care of if we put in an honest lifetime of work. However, the climate has changed and the retirement funds that many of us have labored to pay for the vast majority of our lives are slipping away.

The good news is that this need has not gone unnoticed by the powers that be and while they aren't offering solutions for the funds we've already invested or in salvaging what is left of the failing system, they are empowering people to take some control for their personal retirements by offering investment options and strategies that provide tax benefits along the way in order to reward you for your efforts.

The four common types of retirement plans include 401(K) plans, Keough Plans, IRAs (individual retirement accounts), and qualifying pension or profit sharing plans offered by corporations. In most retirement plans, the contributions to those plans are tax deductible and taxes aren't paid on these plans until the funds are received and retirement payment begins. You should be careful of your investments and guard them well as there are often hefty penalties involved when you take funds out of your retirement funds before you actually retire.

These of course are not the only types of investments you can make for your golden years and it never hurts to have more eggs in many baskets. The more the merrier in most cases. My personal preference for investing is real estate. This is an investment that you can actually see and reach out and touch. It is also an investment that often gets overlooked when planning for retirement, though when you consider it is an excellent choice. Property values are much lower today than they will be ten, twenty, or fifty years from now. This means the sooner you buy the property the more it will be worth (in theory) when you retire. The thing to remember is that property investing, like other types of investing, requires some degree of risk. You need to learn as much as you can about the process and discuss your interest with a financial advisor before you make any major decisions concerning your retirement investments.

There are more traditional investment methods you may want to consider as well. Mutual funds and the stock market are great ways to invest your money, build a decent portfolio, and increase your net worth. This type of investing also carries some degree of risk and isn't always considered financial retirement planning but more along the lines of simple financial planning.

The thing to remember is that it is always good to have a plan. For this reason, I strongly encourage you to engage the services of a good financial planner. He or she can help you navigate the tricky language that is involved in many transactions, set realistic and obtainable retirement goals according to your needs as well as your means, and offer excellent advice and guidance on other investment ventures you may wish to pursue. In other words, a good financial planner can help you plan for your retirement.

When it comes to the world of finance, many of us are far from experts. We seek legal advice from attorneys, tax advice from accountants, and medical advice from doctors yet very few of us go to financial planners when planning our financial retirement. In many ways it makes little sense to approach our futures so carelessly and yet this is not something that our parents and grandparents would have done so there is no precedence for doing so. The problem is that money is such a limited commodity in this world, we are living longer than ever before, and we are enjoying much more mobility in our golden years than in times long past. We now need expert advice and guidance in order to insure that we are in the best possible position when the time comes to face our own retirements.

What Are Iras?

With all the three letter names floating around our society what is one more? Really? It's not like we don't have enough to worry about without adding this burden. However, when it comes to real life, these three letters will have a greater noticeable affect on people than many of the other three letter names that we here on a regular basis such as the CIA, FBI, NSB, ATF, and countless other abbreviations that are hidden behind three little letters. The good news is that an IRA isn't nearly as insidious as its name would imply. This is a useful tool to most Americans who hope to someday retire from their life of work and life out a somewhat comfortable existence.

There are actually many different IRAs, which is the abbreviation for individual retirement account.

A Traditional IRA is the most common. The only requirement for this particular IRA is that you are employed and that you invest no more than 100% of your income or $4,000 per year, whichever is greater up to the age of 49. At the age of 50 your maximum investment is 100% of your income or $5,000 whichever happens to be greater. If you meet the requirements of the IRS to their satisfaction your contributions to your traditional IRA will be tax deductible. As a result, the funds are not taxed while in your IRA account but once the funds are withdrawn they are subject to federal income taxes.

This is not necessarily a bad thing, particularly for those who plan to be in a lower tax bracket when the funds are withdrawn. However, there is a growing number of people who are interested in the benefits that Roth IRAs and similar funds present by paying the taxes now when the rates are known rather than risk an even higher rate of taxation in the future, even in a lower tax bracket. The best advice I can give is to discuss the matter thoroughly with your financial planner and listen to their advice.

This is a case where only you can ultimately decide which decision is best for your needs but he or she can provide valuable guidance. You should also keep in mind that though laws favor non-taxation for Roth contributions that could change between now and the time you are ready to withdraw your funds, which will have you paying double taxes on those funds and is the primary reason that many people elect to stick with Traditional IRAs instead.

There are several distinct disadvantages to the traditional IRA funds. One of those would be the requirements in order to qualify for tax deductions. First of all, if you have the opportunity to invest in another retirement option through your employer you must be below a certain income level in order to qualify for the tax deduction. If you do not meet that qualification all the funds that are deposited into your IRA fund are subject to federal income tax. You will need to seriously discuss your stock buying strategies before determining if this is the best choice for you as those who buy and hold tend to be penalized when it comes to capital gains.

As things are currently, a Roth IRA is often preferable as the money isn't immediately tax deductible but not only is the investment not taxed upon withdrawal but neither are the gains that were earned on the investment. Another serious setback when it comes to the traditional IRA is that you are required to begin receiving payments at age 70.5. As we are seeing more and more people work well beyond the traditional retirement age this is becoming more and more of an issue.

There are advantages and disadvantages to traditional IRAs. It is important that you decide which of these you are prepared to live with and which you would rather live without. These differences will matter a great deal when retirement comes. Take the time to discuss your goals for the future with your financial advisor and see what he or she recommends.

What Is A 401(K)?

When searching and sifting through copious amounts of confusing and conflicting information concerning financial retirement savings and plans it is quite likely that you have come across the term 401(k). You may have wondered if that was the newest robot in the Star Wars saga but the truth of the matter is that it is a type of retirement savings plans that is designed so that employees and employers alike can contribute to a fund that is set aside for your future retirement.

Many people invest pretax earnings into their 401(k) funds, which they then have the option to invest in mutual funds of many options. You will find these mutual funds in a wide array of choices from money market accounts to very aggressive and risky stock portfolios. If you work for one of the many companies across the country that offers the option of a 401(k) plan you would be literally robbing your future self not to take advantage of this offering.

There are 3 general types of contributions to 401(k) plans: matching contributions, elective contributions, and non-elective contributions.

Matching contributions are very nice from the standpoint of the employee as the employer matches a predetermined amount of the funds invested by the employee towards this fund. Different companies will offer different amounts for their matching contributions. If your company will match up to a certain percentage of what you invest into your 401 (k) you should take them up on their offer. This is money that will benefit you later in life and should not be thrown away without a darn good for doing so.

An elective contribution is money that you invest before taxes are taken out of your salary. This means that you aren't paying income taxes on these funds at today's rate of taxation. Many people believe this is a good plan because the assumption is that you will be in a lower tax bracket upon retirement though there are no guarantees that that will be true. This money is money that you have elected to invest in your 401 (k) plan, rather than bring home in the form of salary, thus the name of elective contribution.

Non-elective contributions are money that employer deposits into your account. In most cases you cannot opt to take this money as cash rather than an investment in your 401 (k) plan.

There are limitations for how much you can invest into your 401 (k) plan on a given year. You should check with the IRS to get the actual numbers as they have changed over time and are likely to continue doing so as the cost of living increases across the country. Once you reach the age of 50 you are allowed to make extra contributions to your plan in order to 'catch up' and better prepare for retirement.

When studying your options for retirement financial planning you should carefully consider taking your employer up on any type of assistance they offer in this endeavor. If they offer to match the funds you invest in your retirement you can bet that money has already been deducted in their calculations of your salary. In other words, they are giving you the money you've earned in a different manner. The good news is that when the time comes to retire you will be able to appreciate every dollar that has been invested along the way.

We could never hope to simply save the money that we will need in order to retire. Even investments are tricky for the vast majority of the population. For this reason, it is a wise investment plan to take advantage of any opportunity to increase your funds by employers matching your contributions. Take the maximum benefit they will match and if you are seriously worried about your financial future more than your current financial situations, invest the maximum allowable amount each year in your 401 (k) plan.

Why A Financial Advisor?

Many people will readily and admittedly seek the services of legal professionals, medical professionals, tax professionals, even domestic professionals but when it comes to financial planning, they rarely seek the assistance of financial professionals. Perhaps it's the result of our grand parent's generation and a fundamental lack of trust when it comes to sharing our financial situation with others. But could it be that this is one area where we are simply afraid to admit that we do not hold the answers? It's money after all; we should be able to control it, where it's going, and what it will do when it gets there right? I'm afraid the answer to that would be, "Not exactly."

Just as the tax codes in this country have become so complicated that you need a magic decoder ring in order to sort through them and actually pay your taxes, so have the rules and regulations when it comes to setting aside funds for the specific purpose of financial retirement planning. One of the reasons they are so complicated is because that many of the plans have very unique and very specific tax benefits either before or after the money is received. In other words, don't put away those magic decoder rings too quickly. You may need them in a few years.

The bottom line is that a good financial planner can help you navigate your way through the treacherous territory of taxes in relation to your financial planning and so much more. Most importantly however, a good financial planner can clue you in to opportunities that you may not know about or may not know enough about. It is their business to know about the many opportunities that exist to set aside and make money for you and your family.

A good financial planner can help you plan for so much more than retirement. In fact, a very good financial planner can help you plan for your retirement, the college funds for your children, emergency funds for life's little mishaps, and a little bit to put towards those special purchases we like to make along the way.

They can do all the things mentioned above by assessing your current situation, your future needs, your current means, and your future goals. They will discuss spending issues that may be problematic, make suggestions, and help you come up with a realistic plan for meeting your goals. Their work doesn't stop there however. They will monitor your progress and when necessary make adjustments that will help you get back on track with your financial planning.

Many people feel that they are perfectly capable of doing this on their own and the truth of the matter is that some people are. The vast majority of us however, lack the discipline, willpower, and the knowledge of investment strategies to make nearly the return on our investments that a good financial planner will yield. When planning your financial retirement and the future of your family you should keep the bottom line in mind at all times. If a good financial planner can net you $100,000 or more in retirement funds over time, he's well worth the price you pay for his service.

Some of the best things about a financial advisor is that you won't have to pay the sometimes high price that comes with learning from your mistakes. You will have his or her knowledge and experience working for your money rather than your own inexperience risking it. He or she can also help you with estate planning and tax guidance so that you aren't left floundering in these matters. He or she can also help you determine your insurance needs in order to protect those you leave behind. There are many ways that a decent financial planner can help you maximize your retirement money the hardest part for you as the consumer is making the call.

Why Plan For Retirement?

This is a question that I come across quite often when researching and discussing retirement planning and options. Despite the constant news coverage of impending doom in regards to Social Security many Americans are still counting on their social security payments to support them through their retirement. The sad fact is that it simply isn't possible because the money isn't there. Sadder still is the fact that even if the money were there, it is doubtful that it would be enough to get the average American through their twilight years.

Americans are living longer than they have in decades past. In addition to longer lives we are leading more active lives. Gone are the days when retirees sat at home reading newspapers and mowing the lawn every other afternoon. Today's retirees are traveling, taking classes, learning to dance, and trying new things that they didn't have the opportunity to experience while setting aside funds for the future and going about the business of raising their own families. Now they are taking the time to do all these great things and these wonderful activities and pastimes require funds in order to enjoy.

This is the number one reason you should begin as early as possible not only setting aside funds for your retirement but making active plans on methods by which you can invest those funds in order to maximize the potential of limited funds. This is the time that it is best to take your plans, goals, and concerns to a financial planner and see what advice he or she can give you on setting specific goals, better defining your plans, and making the most of your investment means while establishing a realistic investment strategy that will not leave you feeling strapped for cash month after month.

We often overlook the important role that a good financial planner and good planning play in our financial futures. The same could be said of our financial retirements. We need to take every opportunity that is available to us in order to maximize our money. A good financial advisor will know of funds and strategies that we have never heard of. It makes sense to go to an expert when it concerns our family's future. We see experts when it comes to matters of law, health, and taxes-why on earth shouldn't we see an expert for our finances?

Why is it so important to have a plan? The long and short answer to this question is so that you won't end up needing a job in order to put food on your table once you've reached retirement age. The sad truth is that many of our retired citizens are finding themselves strapped for cash financially and barely able to make ends meet. If they are fortunate enough to have homes that are paid for, they often find the property taxes are a little more than they can handle without some sort of assistance. Medications are expensive despite government programs to keep costs down for our elderly, and then there are those who are simply living longer than their original retirement plans had accounted for. Combine all these factors with the fact that the cost of living has gone through unprecedented increases over the last two decades and you have some very real reasons to make plans for your future retirement.

It is best to begin making these plans as early as possible. It is not impossible to recover, however, if you begin the process a little later. The problem is that you will need to make some extra investments along the way in order to make up for lost time. The sooner you begin making plans for your financial retirement the healthier your retirement options will be. The best way to go about this is to define your retirement goals, make plans, and then take your goals and plans to a financial advisor and get his or her input. Investing smarter is much wiser than investing harder.

A Financial Planner May Be Your Best Gift To Yourself

There are many ways in which you can plan for your financial retirement. The first step in making the right moves is always the step that involves actually creating a plan of action that you can follow as a family. Many people focus too much on the now or too much on the later and have a great deal of difficulty when it comes to creating a happy medium for savings and investing.

Throughout our lives we will have both long and short-term goals that need to be assessed, addressed, and often revisited. Whether you need to find a way to pay for your children to attend college, home improvement projects, or a method for saving for your retirement you can find information and assistance for all these things and so much more if you seek the services of a qualified financial advisor.

A good financial advisor will help you find that balance that so many people and families lack. He or she will also help you assess your means in comparison with your long and short-term needs in order to see where your funds would experience the greatest return in order to suit your specific needs with minimal risk. It is important to remember that going with a financial planner or advisor does not eliminate the risks that are an integral part of investing but it does help you learn to better calculate those risks.

Investing is a risky business. Learning how to weigh the odds and go for the prize is the best way to earn the biggest possible return on your investment no matter how modest your investment may be. We are all starting from different means, isn't it amazing to know that we could all end up with very similar abilities when all is said and done and we are living out our 'golden years'?

Good financial planning is the key to success when it concerns your financial retirement. With so few people around the world adequately prepared to retire it is great to know that there are options and assistance that is available to help you get started on your retirement no matter how late in the game it is. Even better is the knowledge that limits are lifted a little once you reach the age of 50 and retirement is much more eminent. This allows those who got a late start on their retirement planning or who have hit a speed bump or two along the way the opportunity to 'catch up' on their investing and work up to the place they need to be in order to establish a more comfortable retirement for themselves and those they love.

401 (k) plans offer some of the best retirement benefits your money can buy at the moment. They certainly allow you to make the maximum possible investment for your money. If you aren't taking your company up on their offer to match your investment in a 401(k) then you should seriously rethink that thought. Seriously, you're throwing away free money.

When it comes to the murky water of retirement investing it helps to have a guide to get you through. Utilizing the services of a financial planner may be the best move you've ever made in your life when it comes to the financial health of your family and your retirement.

Common 401(k) Mistakes

Believe it or not there are many mistakes that can be made along the way when it comes to financial retirement savings and investing. Unfortunately a good many of these mistakes center around the 401(k), which can be a tremendous boost to your retirement plans when used properly in order to build your portfolio. The problem is that the mistakes are often the only things we hear when it comes to retirement plans and investing. I suggest begin with the mistakes so that we can move along to better information and advice in the near future.

The first and perhaps largest mistakes that people make when it comes to 401 (k) plans is not signing up. Yes you heard that right. What people do not understand is that this is something your employer offers so that you can have some security for your future. It is a manner of saving money for your future that shouldn't be overlooked or taken for granted. Even a bad 401 (k) plan is better than no 401 (k) and with strict regulations those are few and far between. More importantly, if your company offers to match the funds in your 401 (k) plan not taking them up on that offer is literally tossing money in the garbage can.

The next big mistake when it comes to your 401 (k) is risking too little. Rewards come with risk. If you aren't taking any risks with your investment then you are by and large throwing money down the drain. In addition to that, it is nearly impossible to meet your retirement goals without taking some risks, and some hits along the way. This doesn't mean you should be reckless but along the way you are going to need to take some calculated risks in order to receive the bigger payouts that most of us hope for when investing in their retirement funds.

Risking too much. There are many risks involved when investing in the stock market. There are a few that deserve a little more mention than others. First of all, stocks present a fairly large risk, particularly to the uninitiated. While it is true that great rewards are most often the product of great risks you do not want to risk the bulk of your retirement by investing it all in stocks. Another thing you want to avoid doing if at all possible is investing in your company stock. We've seen too many lives destroyed when companies go under taking the financial stability of their employees along with them. Many companies offer incentives to employees for investing in their stock, which may be tempting but I recommend investing as little as possible in your company stock whenever possible as this could lead to problems down the road.

Finally, the worst thing you can do for the health of your 401 (k) is borrow against it. There are so many ways in which this could go wrong and the penalties for this are more than a little prohibitive. They are designed to be that way so that you will use the funds for their intended purpose. If you absolutely have no other option is the only way I would recommend borrowing against your 401 (k) and I would seriously consider selling a kidney before doing that.

When it comes to your financial retirement, 401 (k) mistakes can be far more costly than you may realize. Work to avoid these common mistakes and you should be well on your way to a successful retirement.

Consolidation Or Multiple Accounts

When working with those planning financial retirement’s one question keeps coming up. Should I consolidate all my accounts or keep them separate? Chances are that you have several different types of retirement accounts from different companies you've worked for along the way. This is not necessarily a bad thing but can be frustrating to try and keep track of.

Combining these funds can be a rather tricky endeavor as many of them are designed to only mate with like accounts. For this reason most 401 (k) plans can only be combined with another 401 (k) the same holds true for many other common retirement accounts including a 403 (b). The one type of account that can accept them all and consolidate them together is a rollover IRA.

Having only one account can simply so many aspects of your retirement that most people wonder why on earth they didn't do this from the very beginning. There are many more benefits than mere ease that goes along with consolidating your accounts and eliminating those extraneous accounts. One of which is the fees that are often charged simply for having the account. These fees can add up over the course of several different accounts and consolidating them into one lone account will eliminate the fees of all the others.

One misconception that people have when it comes to rolling over their accounts is that they will lose their investment options. This is especially a misconception when it comes to a 401 (k) program as if you own a particular investment while it is a 401(k) you will still own the same investment when its within your IRA account.

In other words a rollover IRA account offers the ultimate flexibility when it comes to your financial retirement needs. You can consolidate all your accounts into one, have all the information in one location and still enjoy the freedom that all the different accounts allowed you to experience in your investing. Diversity is a key ingredient when it comes to successful financial investing procedures.

If you are looking for the best when it comes to financial freedom for your retirement investments you should take the first available opportunity to consolidate your investments into a rollover IRA. Of course you should discuss this with your financial advisor first in order to see if there is a better situation for your unique and personal needs however in many cases the convenience factor of this process is far too tempting to overlook unless there is a very big and specific reason for doing so.

In other words consolidation by and large is very much the way to go when it comes to your retirement funds. You do not however want to sacrifice the diversity of your plan in the process. You should keep your actual investments as diverse as possible in order to insure a well-balanced portfolio that is designed to maximize your profit potential while minimizing your risks.

The decision of whether or not to consolidate your many retirement accounts is as personal as your decision to wear brightly colored socks and ties. There is no absolute right or wrong answer and it quite literally comes down to a matter of preference. If you thrive in chaos then by all means keep five or six accounts going at any given time. If you need neat lines and nice rows that balance out in a glance then consolidation might be the very best thing you can do for your retirement fund.

Dealing With Alzheimer's

Alzheimer's disease is the type of dementia that is more frequently seen among the older population. It is characterized by a worsening of the person's cognition, particularly in thought, memory and in language, a progressive decline in his ability to perform activities of daily living and may even be accompanied by changes in his behavior.

Dealing with Alzheimer's can be very stressful for the individual as well as for his loved ones. The progression of the disease may render the person in need of total care as it affects even the most basic skills necessary for his daily existence.

Let's take mealtimes, for example. For a person with Alzheimer's, even nutrition may pose as challenge. There are normal physiologic changes that come with aging, such as a diminished sense of taste and smell, and indeed, these may affect the individual's desire to eat. But when dealing with Alzheimer's, the person may even forget to eat or in other cases, he may want to eat but has forgotten how to prepare meals. Through the course of the disease, he may eventually lose his table manners and may have difficulty in swallowing. Agitation and distractibility may also develop. To alleviate these problems, caregivers would often find it necessary to call their loved ones to remind them to eat or instruct them step by step on how to prepare meals. Small, frequent meals are more in line, and finger foods that are high in calories would be provided. Decreasing the environmental stimuli, by taking extra utensils off the table and using bright, solid-colored plates may address the easy distractibility. And to encourage self- care, the person may be provided with spoons with large handles rather than forks and bowls rather than plates.

Nutrition is just one of the many hurdles when dealing with Alzheimer's. People with Alzheimer's disease often need assistance with other activities of daily living such as bathing, toileting and changing. It is necessary to balance this need for assistance with as much independence as possible. The caregiver must allow the person to do as much as he can while providing the least amount of help. For this, patience and flexibility are crucial.

Dealing with Alzheimer's can be fulfilling for the caregiver but can be as draining as well. Losing a loved one in this way is heartbreaking. Dealing with Alzheimer's is one of the most difficult jobs in the world as one may tend to lose sight of his own needs as he cares for his loved one. When in stressful situations, one needs to take even better care of oneself. It is in these circumstances that people often realize how strong they could really be for their loved ones.

Have You Properly Planned Your Retirement?

Gone are the days of the past when people went from years of labor only to go home and live a rather stale and stagnate lifestyle until reaching death. Today's retirees are more active than ever. Unfortunately, those activities take money and unless you're planning to sit at home and wait for death you should be making plans to take care of all those things you wish you had done earlier in life once you retire.

While you are planning for your financial retirement you should also take the time to make plans for what you will do once you retire. Do you need to join a travel club now in order to have an established membership when the time comes to actually enjoy the benefits of belonging? How about that book of the month club? Many of these clubs are great to join while you have the extra 'disposable' income that goes along with working and having a career. You can take the time now to build up your library. Even if you read the books now, chances are that by the time you retire you'll enjoy the ability to read them again.

If you are retiring today you will want to make plans to go parasailing, take cruises, ride horses, and maybe learn to golf and/or knit. You do not want to spend your golden years sitting at home waiting for the inevitable end. You want to leave this world laughing about all the fun and good times you've had. The stereotypes associated with retirees are changing quickly as the world evolves and people are living longer than ever before.

When you plan your funds you also might want to take the time to have a few daydreams about the places you will go and save a page or two to write about those dreams and sharing them with your partner in life. You should also take time to find out what he or she hopes to do, where he or she hopes to go, and the things that he or she would like to see when making plans for your retirement. After all, you have shared your lives together it only makes sense that you will share the best years of your lives with one another.

There is no better input to get when it comes to your retirement than the input of your life partner. You should also take things in stages and not try to do and see everything in the first months or year of your retirement. The novelty of not going into the office each and every day will wear off quite soon. You will then find that you can only mow your lawn so many times a day without actually doing more harm than good to your grass. You'll know every leave of every flower in your garden, and you will know the inside and outside of every book on your shelves. Don't become a victim of boredom in your retirement as that brings on spending sprees. Find a hobby that doesn't require a considerable investment and you will help prolong the limited funds you will have at retirement and save them for the more important things on your list of "things to do before you die".

Independent Living For The Elderly

Many people in this day and age are somehow dreaming of becoming totally independent. The elderly is no exception to that. Fortunately, hundreds of communities are now operating programs and services to provide these people a certain degree of independence they need. Nursing homes and other independent living facilities are out there to help senior adults live a life on their own, a life that needs no extra help or assistance from any member of their family.

The independent living centers built for the elderly usually offer services that are all designed to provide a degree of independence to those they assist. The good thing about them is that they make these services available with a sense of being consumer controlled. This means that to allow the senior adults to live on their own, they offer full authority and responsibilities to those they help. Although members of the facility are out there to assist these people, they make all the services done without breaching any of the seniors' private lives. Rather they help adults to realize their own worth and confidence by allowing them to succeed on certain challenges by their own.

While making all those things possible, there are a lot of tasks that people working in nursing homes and other independent living facilities perform for the people they serve. Generally, they offer services including peer counseling, employment and housing techniques and tips, services on advocacy, and certain trainings designed to build a sense of independence. Along with these services, most of the independent living centers consider the building of interpersonal skills to the people they serve. They make this happen by teaching the adults about verbal and non-verbal communication, as well as adaptive behavior. Time and money management, job and career exploration, and several other legal issues are also taught and tackled for the benefit of the adults. Today, the independent living services and facilities for the elderly are funded usually by the state and federal grants. Along with the basic trainings and assistance they give, they also offer a variety of living aids for the elderly to use. Included in the list are walkers, hearing aids, kitchen gadgets that are highly improvised, canes, and a lot more; then allowing the senior adults to live not just an independent life, but something they can enjoy. Certain levels of security are even provided for safety purposes. With all these wonderful things laid down to you, it's no surprise to find senior adults living a life after retirement with renewed strength and interest.

Insurance And Your Financial Retirement

When planning your financial retirement there are many things you should consider before taking the plunge and not all of them are overtly financial, though in some large way they are all very financial considerations, particularly if you don't take the time now to consider their importance later. Insurance is an important consideration when it comes to retirement. Depending on your age at retirement you may or may not qualify for Medicaid, which could leave you in a bit of a pickle when it comes to covering the high cost of insuring your health.

If you have a spouse that will continue working for a year or two you may want to consider the cost of being added to his or her insurance coverage. Chances are it will be less expensive than striking out on your own for health insurance coverage, which tends to increase in cost with age and according to health.

Dental insurance is another huge consideration among those approaching retirement age. The cost of actual dental insurance can be quite cost prohibitive but there are other options in the form of discount programs. There are quite a few programs that exist and all you really need to do is a quick Internet search in order to find more than a few good prospects. You will want to make sure that the plan you are considering has providers in your area before signing up. Some of these plans actually offer discounts on other services such as vision, prescription drugs, and even medical care. The costs typically vary according to the offerings of the plans in question.

Medications are another important consideration when retiring, particularly if you are planning to retire early or prior to the traditional retirement age of 65 when Medicaid kicks in. Some of the plans mentioned above offer discounts on prescription drugs and there are other things you can do such as asking your doctor about generic options or less expensive methods for medication that might exist. Some drug companies are offering free medications to people who meet their qualifications.

Long-term care insurance is a relatively new concept and something that many of us do not wish to consider but is something that really should be considered when you are young enough to get reasonable rates. If you are in your 50's and early 60's you should be able to get this particular type of insurance for around $100 a month. Whether you want to acknowledge that this could be a need for you or not, the odds are that it will be a very real need in time. Unless you plan to leave significant amount of debt in your wake it is a good idea to make sure you invest in long-term care insurance.

Home and auto insurance typically go through a reduction in cost as you age. This is good news on many levels as it leaves you the option of picking up additional insurance coverage or at the very least filling in the gaps that some of your other insurance costs are leaving in your carefully planned budget. You should keep in mind however that once you reach a certain age they will begin to rise again. Save the pennies you save on the premiums during the good years in order to cover the costs during the lean years. Insurance is one of those costs that simply must be covered. It helps greatly if you plan for these costs when creating your retirement budget.

Investing In Bonds

When it comes to planning your financial retirement many people focus on the different types of accounts that you can use in which to defer payments or avoid taxes for a little while but very few people discuss in depth the specific things in which you can invest those funds that you have so carefully squirreled away for the important day that is to come in the dark dank future that seems as though it will never arrive.

Bonds are not your typical high risk-high yield investment but they are very likely to earn a return for you. If you are not in dire straights for retirement funds this is a slow and steady way to build a decent retirement for yourself over time. If you are in the final hour this is an investment strategy that might be more than slightly too timid for your specific needs. There are other more investment strategies that will be discussed elsewhere.

There are essentially three different types of bonds: corporate, municipal, and government.

Corporations trying to raise funds for ventures such as building new facilities or launching new product lines typically issue corporate bonds. The interest on these bonds is taxable. As a result these bonds tend to pay higher and are better retirement investment options than government or municipal bonds.

I have said before and will continue to say that there are no sure things when it comes to investing. While many bonds tend to be safer than some of the other investments on the surface there are significant risks involved when investing in bonds that would be negligent to overlook. Where you find the risks of market ups and downs when investing in stocks, mutual funds, and options the risk is that yours may lose value. When it comes to bonds the risks include the following: default, changes in the interest rate, and inflation. The risks for some are far weightier than the benefits of a slow and 'steady' investment.

You should really carefully consider whether or not bond investing is a good idea of your retirement needs along with your nerves. We weren't all born with nerves of steal, for this reason it is probably a good idea to carefully decide whether or not you are comfortable with the risks that bonds introduce into your investment picture.

I always recommend that you take the time to discuss your plans and goals with a financial planner before taking the plunge and making any major financial decisions whether they concern your retirement or your child's college fund. These all affect your future and the security you can provide your family when the time comes. A good financial advisor can help you weigh the pros and cons of investing in bonds and help you decide whether or not the potential payout on these bonds is worth the risks that are involved in the process. This is not the case for everyone. I tend to be a more cautious investor than most and will think long and hard before investing on things that I do not consider a carefully crafted and calculated risk.

Only you can decide whether or not you are comfortable with the idea of investing in bonds when it comes to your financial retirement hopes and dreams. I hope you will discuss this with our advisor and carefully consider the ramifications of this decision.

Long Term Care Options

These days, it is quite inevitable to be very busy at work that you seldom have time for yourself. This is quite all right, to some extent. But what happens if your parents start having health problems and you are needed to look after them? Here lies the hassle.

This is why it is never too early to consider different long term care options that are available today. It is advisable not to wait for one or both of your parents to get sick before you start considering long term care options. This will only make things worse for you because then, you would have to make a hurried choice as to which long term care option you would want for your parent. And rash decisions are definitely a no-no here. Thus, do take time to browse through the different long term care options available.

So, what are some examples of these? The first, and quite popular among the long term care options, is home care. Let's face it: your parents would most likely want to stay inside their own homes. Going into a nursing home somewhat has a negative ring to it, for some reason. But with home care, it would be the nurses going to your home, to care for your parents. This option usually has the nurses or the home health aides making daily visits, and just accompanying your parents for the rest of the day. Housekeeping and preparing meals would be their responsibility as well. The frequency of these visits need not be daily at all. This can depend on the preference of you and your parents, of course.

Another example of popular long term care options is adult care. These programs would have your parents going to an adult care center, to partake in programs and activities for fellow senior citizens as well. And these adult care programs also cater to the medical needs as well. Basically, the concept behind these adult care programs is social interaction for their clients.

But if the services of nursing homes are really needed, then you would really need to consider this option. It cannot be denied that this is the least of all long term care options that your parents would want. This can most likely be attributed to the fact that living in a nursing home connotes a sense of dependency on the staff. This is because nursing homes cater to patients who are recovering from certain diseases or injuries.

These are just some of the long term care options you should consider for your parents. The important thing here is that you and your parents should agree on which method they should have. This way, both your needs will be pacified.

Money Management For Financial Retirement

Learning to manage your money while you have more disposable income is one of the greatest gifts you can give yourself when it comes to your retirement. One of the best things you can do in order to prepare yourself for living on a 'fixed' income that goes along with retirement is to establish a budget and spending limit each month and live within that budget. In fact, you might wish to establish a smaller budget than you actually think you will need in order to maximize the effect and add a little padding to your savings account. Over time, the little savings can either provide a nice boost to your retirement fund or a great night on the town as an occasional treat.

Living on a budget is one of the most difficult things that many Americans will ever face. As a matter of fact we have the nasty tendency to live at the very edge of our abilities and over extend ourselves heartily. A good method for learning to create and establish a budget is to make a list of all your monthly spending right down to your miscellaneous expenses and convenience store and break room snacks and stops. Then add up the totals and see where you believe you can cut costs. Of course it isn't enough merely to say you want to cut costs in certain areas, you need to create a plan of action for doing so.

If you are creating greater costs by having an afternoon coffee or snack at work see if you can bring them from home in order cut costs. Cook one extra casserole per week and freeze it in order to eliminate those last minute fast food runs when you simply don't feel like cooking. Take baby steps when it comes to cutting costs and over time you will find that you have learned to live with even less than you thought possible. In fact you can make it fun by making it a challenge. See who can eliminate the most money from the budget each week and actually stick to it.

The thing you do not want to do is deprive yourself to the point that you will eventually go out and undo all the good by splurging. You need to reward yourself along the way for the small steps you have taken. Set goals for saving as well as your budget and you will find that you are much better prepared to budget your money you are confined within that budget. While you were at it, you just might find that you've saved enough to increase your investments enough to bump your budget a good bit when the proper time comes.

You do not have to have an all or nothing approach when you begin learning to manage your money, especially if you are making the effort before you reach the point of retirement. Little things we do on a daily basis that help us make more responsible decisions about our money will become habits over time. Those habits will serve you well throughout life and retirement. They will also help you prioritize your spending once you are living with limited means in order to decide what you can and cannot sacrifice in order to get the most out of life.

Retirement Planning

This is it, the long haul! You are positive that you have lived a full life, the fullest that you ever can and you are ready to retire. But are you really ready?

You may think there is no imminent need for retirement planning, but there actually is. You see, there are a lot of things to consider before you do get on that platform and accept the retirement package your workplace is offering you. And retirement planning requires one to consider five things.

The first thing to consider when you're mulling over retirement planning is the decision as to where you would be living. Let's face it: you would not want to be a burden to your children, especially if they already have families of their own. Sure, visits and such are all right, but living with them is a totally different story. Thus, you should consider this thoroughly when you start your retirement planning. A lot of people prefer to go back to the house or the area where they were raised. And you can do this as well. You can also choose to go to that one place you've always wanted to go. Whatever catches your fancy is the goal of retirement planning here.

The second thing to consider is the financial aspect. Do you have enough money to support your plans? Is your pension plan enough to jive with the retirement planning that you have started conceptualizing? No correct answer can ever fit this question because this would totally depend on the goals you have laid out for yourself. Just make sure that you do have enough so that the purpose of retirement planning would not be defeated.

The third thing to consider is whether or not you are indeed ready to retire. You may think this is not something to consider but it actually is. When you retire, you will have a lot of free time on your hands. And you just might find too much time too daunting. So, you should consider this carefully.

The fourth thing is the concept of working after retirement. Now, there are a lot of people out there who opt to continue working light jobs after retiring. And this is not something out of the ordinary. If this is something you are planning to do, you won't have that much difficulty at all. There are a lot of jobs still available for people after retirement.

The fifth thing to consider is your health. Aside from funds for vacations and the like, you also need to ready yourself regarding your health. This is indeed something you should consider when retirement planning. This way, you won't be a burden on your family and their families.

Retirement Isn't For Everybody

Are you the type of person who never was able live up to stereotypes? When we think of a stereotype, the classic is the image of your standard senior citizen. That image is as a slowly moving Grandma or Grandpa who is long done working at their career and wants nothing more than to sit on the back porch and wait for the next holiday to see the grandkids. Well, if you are like a lot of senior citizens of the new century, we look at that stereotype and say – forget it!

We are the kind of people who have had the most amazing and exciting lives because we took chances and lived active lives taking on challenges and winning at those challenges. Probably the most puzzling idea of that sweet stereotype of Grandma and Grandpa is that we all are expected to go into retirement at 65 or 70 and stop working because we couldn't wait to retire. But everybody isn't exactly like that.

Some of us are in careers that are the calling of our lives and going to work is as much like play as it is work. You love what we do and the idea of not doing it every day of your life is more like prison than a reward at the end of life. In fact, the very idea of changing how we live because it is "the end of life" seems like surrender as much as it is a long vacation. And we are not the kind to surrender to the inevitability that life will end. The end may come and get you, but it is going to have a fight on its hands.

If you are that kind of person, retirement may not be for you because retirement isn't for everybody. And just because some people have the image of stopping their careers just when things were getting great as a way to live their last few decades, why should you be forced to live someone else's dream? That is why we live in a free country. You should not be forced to retire.

If you love what you do, getting up and going to work is as much of what makes your blood go through your veins and your metabolism work right as good food and rest. People by nature are born to work. It's what defines us and making something to contribute to society and being rewarded for that labor is what makes you tick. So you should not feel bad when you are the senior citizen that throws the stereotype out the window and continues to thrive doing what you love – working at your job.

One way to expand your role in the profession you love is not to step down but to step into the role of senior advisor, chief counsel and wise old owl of the office. Your decades of experiences are a treasure trove of wisdom and a source of teaching for the young pups coming up. This is one reason why in a lot of companies all around the country, management is seeing the wisdom of retaining senior citizen workers rather than forcing them into retirement.

This is a big shift from the mentality that was prevalent for far too long that the old had to get out of the way for the new. Now the old are a precious resource to teach the young how to do thing right. By treating senior citizens with reverence and respect, business is learning what many civilizations have known for a long time, senior citizens are a treasure to be prized and cared for, not thrown away.

Roth Iras For Financial Retirement

This is entirely an opinion based on the facts that I have available and should be viewed as nothing more than that. However, I feel I would be remiss in not pointing out the incredible value that Roth IRAs can bring to the table for savvy people who are planning their retirements. There are actually advisors that straddle the fence on this particular issue and I can honestly see the validity of both sides. For me, a Roth IRA is preferable to the Traditional IRA for one reason and one reason only. I would much rather face the evil that I know and pay taxes on that money now than the evil that I don't know by paying taxes not only on the investment but also the earnings later.

I know what tax bracket I am relegated to at the moment. I know about how much I'm going to pay in taxes on the income I've labored to receive about 65% of. I know these things in terms of what a dollar means today and would much rather pay that price now than later when I have no idea what tax bracket I'll be in or how much money I will actually see of my retirement earnings.

Many point out that the laws regarding the Roth IRA could change between now and then. This is very true. At the same time the laws in regards to the 401 (k) could quite possibly change in time as well. In the art form of complication the IRS could put out next years tax code in Greek and the average citizen would not be able to tell the difference, I for one think they already do this in the ultimate practical joke on the people. Bottom line is I would much rather retain the maximum allowable control over my money when I need that money rather than trying to write off the taxes I will gladly pay today.

Putting the taxes off until a later date is like getting a credit card with 0% interest for 12 months. What they don't put in the big bold print is that after the one year period or the 'honeymoon' so to speak is over that number goes up to well over 20%. At this point in time I have no magic crystal ball that can in anyway indicate what my tax bracket will be nor can it indicate that percentage of taxes I will owe five years from now much less 35 when retirement comes knocking on my door. The peace of mind that goes with not wondering if it will be enough after taxes is well worth the inconvenience of paying taxes on those funds today.

If you're looking for some even better news, try this on for size. By not paying taxes on the final amount you are actually adding hundreds of thousands of dollars to your income if you invest the full amount allowable over the course of the next 50 years. You will still save a huge amount of money if you only make the maximum investment over the course of the next 30 years. Every year you add to those figures helps wildly of course when it comes to the bottom line but if you are looking for a way to maximize your retirement funds, eliminating the taxes on those funds by and large is the way to go.

The Future Of Assisted Living For The Elderly

The society is rapidly evolving, and that's for sure. So while it seems possible for the assisted living to wane in the near future, chances are it won't be the case. People are destined to grow old and be exposed to certain incapability that may render them disabled or worthless. With that, assisted living facilities will continue to emerge, yet boasting new lines of developments that people thinking of living on these areas should consider.

So what are these major developments one should expect in assisted living facilities in the near future? What would be the future of assisted living, to simply put?

Well, as what most researches and studies have revealed, a lot of possibilities will soon happen. The first of those would be the expansion of the assisted living services to meet the ever growing society's demands. You can expect then to see the services offered by all living facilities to remain very well-known knowing that new advancements will be introduced to make their service worth considering. Of the possibilities revealed, positive changes in the level of personal care, privacy and independence would be made available. And, what primarily remains true is that these services will soon be managed differently, then changing the look and feel of assisted living. With that, the facilities will soon appear to be more like an upscale community than a line of nursing homes. This of course is good news for many.

What's further interesting to know about the future of assisted living for the elderly is that more demands from the residents will be granted than before. The senior adults seeking for independence will then be granted with an increased level of control and involvement in the progress of the facility itself. They will be informed as to how, when, and what happens over the management. This possibility will also increase the residents' involvement in certain activities that the facility may provide. So while you see a lot of senior adults living in assisted facilities somewhat cold and unfriendly to their peers, it won't be the case in the future. People living in these areas would start gathering to watch movies or to have a good talk and this means fun for all.

Finally, with the advancement in science and technology, it is highly probable for all assisted living facilities anywhere in the United States and the world to feature certain advanced technologies. This would be the major change possible. Thus, expect the facilities to be managed with the help of new devices, then bringing the level of assistance and care to new heights. While these advancements are made, the privacy of the elderly, however, must be maintained.

Thinks To Consider When Considering A 401(K)

When it comes to financial retirement plans, the sad truth is that far too few people actually have a plan. It is estimated that somewhere in the neighborhood of 30% of employees who are offered a 401(k) through their employers fail to sign up for them. There have been instances in the past when unscrupulous administrators have taken advantage of the temptation that having access to those funds provided as well as many, many cases where the worst enemy when it came to 401(k) investing was the investor.

The good news is that like many things around the world we are learning from our mistakes and working to create a new and improved 401(k) for employees across the country. With this in mind and the advances that have been made very few people can honestly state that they are worried about the security of their money as a reason not to participate in their company offered 401(k) programs. The problem remains that far too many people believe in the sanctity of a now dieing system for retirement funds.

The truth of the matter is that no matter what, chances are very slim that social security will provide any sort of security for those that are retiring and relying on this as their 'golden' years. There have been mistakes along the way and will continue to be. Not only do the administrators of these plans make the mistakes but also by those receiving the benefit of these plans, which can be so very important when, it comes to establishing some degree of security for your financial retirement planning.

Along the way we've learned that the penalties for borrowing against your funds can be much more harsh than a mere slap on the wrist. We've also learned the cashing out is very rarely a wise decision in the grand scheme of things when it comes to your 401(k) plan. These lessons are hard learned in many cases and cost years if not decades of your retirement plan. Do not make these mistakes unless the stakes truly merit the costs involved.

Don't be afraid to actually make the investments you feel are necessary in order to maximize the potential of your 401(k). This is your retirement after all and the new rules regarding your 401(k) are putting you in the driver's seat so to speak. Don't let yourself and your investment down by not doing the necessary research. If you plan to invest in stocks make sure that you are diversifying your stock holdings and that you have thoroughly researched the stocks in which you are investing.

You should also take the time to research the differences in a traditional 401(k) and a Roth 401(k) and see which one you feel will best suit your needs as a consumer and as an investor. There are marked advantages and disadvantages associated with each and ultimately which is better comes down to a matter of preference as there really is no absolute right or wrong answer to this question.

I strongly encourage you to seek the services of a competent financial planner in order to help you properly diversify your portfolio for long-term investing with maximum potential. I believe you will be amazed at the miracles that the right financial mind can work when it comes to your funds.

When Should You Retire

Once you have all the wheels in motion for your financial retirement it is often difficult to wait for that great and liberating day but you must take the time to make sure that there is no detail that hasn't been covered or has been overlooked in the planning process. Most of us worry over whether we'll be able to maintain a certain level of income when we retire and little else. The problem is that maintaining the same level of income during retirement is often not enough to keep things going and take care of all your family's needs during your retirement.

Have you checked out your insurance expenses? You should make a point of checking that all of your current insurance plans will either cover you during your retirement or at least that you have something in order until your Medicaid benefits kick in. This isn't only about medical insurance. There are all kinds of insurance coverage that we need in order to avoid potentially huge amounts of debt during our retirement. Some of the common types of insurance you will need include the following: homeowner's insurance, auto insurance, health insurance, dental insurance, long-term care insurance, and life insurance.

Once you've taken care of your insurance for your financial retirement. Have you established a budget that you and your partner can live with during your retirement? You need to be absolutely sure that you are in agreement on the budget or hard feelings could develop over time. Talking about things can accomplish so much and smooth many ruffled feathers you didn't even know existed.

Have you mapped out plans for things to do both together and individually? This is another thing that is important. While you are a couple you are still individuals with independent needs and desires. Make sure that you both have time and funds set aside to pursue interests that appeal to you as individuals as well as those that appeal to you as a couple.

Do you have any special needs that should be addressed in the budget or in your planning? Do you need a vehicle with handicap access (these cost a lot of extra money in many cases and should be strictly budgeted when making retirement plans) and do you have a little tucked away into your budget for emergencies that may arise?

Other important considerations include what bills you have. Are your student loans paid off? How about those pesky high interest credit cards? Those can add up over time and you need to eliminate as many of these as possible along the way. You should also take great care to make sure that your home is paid for and all the taxes are caught up. You do not want any surprises that might jeopardize your security once you retire.

The list may seem endless but each question is very important in the grand scheme of things. You will want to take every effort to make sure that there are no nasty surprises along the way. Those surprises could mean the difference in you enjoying your retirement and facing the need to return to work at some point during your retirement in order to replace funds that must be spent for emergencies that were unexpected. Once you have all the answers to these questions and the answers are good, then you are ready to retire.