10 PIECES OF RETIREMENT PLANNING ADVICE
Retirees Wish They Had Known Sooner

When it comes to finances and retirement planning, there are plenty of missteps to be had. But by following these pieces of advice from retirees, you can give yourself a good shot at a comfortable and happy retirement.

1 *Start planning for retirement as soon as possible.*

In a Principal study, nearly 70% of retirees said they would encourage their younger selves to start planning for retirement in their 20s or 30s. The longer that money has to grow, the more it'll be worth in retirement.

2 *Document an overall financial plan.*

Taking the time to outline and write a financial plan is a reliable way to discover and secure more wealth. In a Schwab wealth survey, 63% of people with a written plan felt financially stable, while only 28% of those without a plan felt the same.

3 *Learn more about the ins and outs of personal finance.*

Retirement planning takes decades to execute, and within that time comes a lot of changes in strategies and best practices. Take it from retirees: a Transamerica survey showed that 66% of them wish they knew more about financial planning earlier in life.

4 *Make financial moves that protect money from taxes.*

Many older Americans get blindsided every year with tax hits to their 401(k) and other retirement vehicles. However, a little forethought, taxable income shifts, and perhaps Roth conversions or other strategies can result in significant lifetime savings.

5 *Take advantage of employer 401(k) matching funds.*

Nearly 40% of retirees surveyed in the same Principal study said they'd encourage their younger selves to take advantage of their employer's 401(k) matching program. It's free money!

6 *You don't need to rush to take Social Security.*

Often, the longer you wait to start collecting Social Security, the more it pays off in the long run. For example, a person working part-time at age 63 decided to start taking Social Security. In the end, they only received 80% ($1,600) of their full retirement age benefit of $2,000. And if they would've waited until age 70 to start pulling, they'd be receiving $2,640 each month!

7 *Plan ahead for the fun you want to have in retirement.*

According to a Fidelity survey, 68% of pre-retirees haven't established a budget of anticipated income and expenses in retirement. And while many Americans think they'll spend less in retirement, the opposite can easily be true. Some advice: think of what you like to do on the weekends. Then, when you're budgeting for retirement, plan for every day to be a Saturday.

8 *Think about healthcare in advance.*

Not being able to afford healthcare is a catastrophic slip-up. According to an AARP report, only 36% of retirees attempted to estimate how much money they'd need for healthcare before they retired, and only 16% are confident they can afford the costs.

9 *Keep money away from depreciating assets.*

Spending too much on depreciating assets like boats or new cars may be a sign of poor money management. Instead, consider more practical purchases and utilize the power of compounding interest in retirement income vehicles.

10 *Find a balance between living today and living for the future.*

Being too prudent can make it harder to stick to long-term plans. So, go ahead and enjoy that trip. Buy that shiny new golf club set. But always keep your future goals in mind for a more sustainable retirement plan.

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