



# AGING WELL LIVING WELL



News & Information Provided by the Administration on Aging  
Washington, DC • [www.aoa.gov](http://www.aoa.gov)

## Financially Fit for Life

Money can be a difficult issue no matter what your age. And retirement planning doesn't end at retirement—retirement is just beginning. Fortunately, there are great tools and resources available on the Internet, in books, and at the public library. Or if you prefer, there are a variety of financial professionals who can help you. We have compiled a few important things to consider as you plan for and live in retirement.

### **Know What You Need.**

It can be very challenging to save for a long and productive life, but you can do it. The first item on the agenda is to determine how much money you need each year to live comfortably. This will require a detailed examination of your income, resources and expenses. It will also require you to think about the kind of lifestyle you want throughout your retirement.

### **Know What You Have.**

Social Security, pensions, savings accounts, IRAs...it all counts. When you are planning your financial future, include all sources of income. Don't forget rental property or bank certificates of deposit either. Even your Savings Bonds count. And read all of the statements you receive from your pension fund, Social Security, 401(k), and IRAs. If you see a mistake or inaccuracy on any statement, contact the plan administrator and have it corrected immediately.

### **Re-Evaluate Your Financial Plan.**

Don't "set it and forget it." A lot can happen between now and your retirement and throughout all your retirement years. Re-evaluate your retirement savings plan each year to stay on track.

### **Increase Your Savings.**

If you can, contribute the maximum to all of your eligible tax-deferred retirement savings, such as your 401(k) plan and IRAs. You may have to adjust your spending habits or give up a few luxuries, such as weekly dinners out, to save more money—but it will pay off in the long run!

### **Track Your Expenses.**

Write down everything you spend for three months. You will probably be surprised how much you spend on things you don't really need. Once you've cut down on some of the "unnecessaries," you can put that money towards your retirement.

### **Pay Off Those High-Interest Credit Cards.**

Credit cards are amazingly convenient, but carrying over debt from month to month can cost you a lot of money in interest charges. Do something great for yourself and make it a priority to pay off your credit cards. And when you choose a credit card, look for one with a low interest rate. It can make a big difference.

## Organize Your Financial Documents.

Do you know where your insurance policies are? How about your will? Take the time to organize all of your important documents. Keep them in a safe place and let your family members, your legal representative, or a trusted friend know where they are located.

## Long Term Health Care.

Longer life expectancies can mean a greater chance of medical problems in retirement. And chances are, your employer won't pay for your retiree health care—you will. Make health care part of your retirement plan.

## Become An Educated Investor.

Get help from a financial professional or consider enrolling in a financial education class so you know how to better manage your money for all your retirement years. There are a lot of books, magazines, Internet sites, seminars, and classes for the financial do-it-yourselfer. You'll need to do a little research, and your local public library is a great place to start. There are also a wide variety of financial professionals who can help you prepare for a financially secure future.

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## Resources

- *Administration on Aging: [www.aoa.gov](http://www.aoa.gov)*
- *American Savings Education Council: [www.asec.org](http://www.asec.org) and [www.choosetosave.org](http://www.choosetosave.org)*
- *Certified Financial Planner Board of Standards: [www.cfp.net](http://www.cfp.net)*
- *Employee Benefits Security Administration, U.S. Department of Labor: [www.dol.gov/ebsa](http://www.dol.gov/ebsa)*
- *Federal Citizen Information Center: [www.pueblo.gsa.gov](http://www.pueblo.gsa.gov)*
- *Financial Planning Association: [www.fpanet.org](http://www.fpanet.org)*
- *Financial Security in Later Life: [www.reeusda.gov/financialsecurity](http://www.reeusda.gov/financialsecurity)*
- *Investing For Your Future basic investing home study course: [www.investing.rutgers.edu](http://www.investing.rutgers.edu)*
- *Investorguide: [www.investorguide.com/university.html](http://www.investorguide.com/university.html)*
- *Iowa State University Cooperative Extension Retire: Secure Your Dreams: [www.extension.ias-tate.edu/financial/retire.html](http://www.extension.ias-tate.edu/financial/retire.html)*
- *National Endowment for Financial Education: [www.nefe.org](http://www.nefe.org)*
- *Social Security Administration: [www.socialsecurity.gov](http://www.socialsecurity.gov) and [www.socialsecurity.gov/retire2/calculator.htm](http://www.socialsecurity.gov/retire2/calculator.htm)*
- *U.S. Securities and Exchange Commission: [www.sec.gov](http://www.sec.gov)*
- *Women's Institute for a Secure Retirement: [www.wiser.heinz.org/aboutus.html](http://www.wiser.heinz.org/aboutus.html)*

## Books

- *Ernst & Young's Retirement Planning Guide (2001, John Wiley & Sons)*
- *How to Retire Happy by Stan Hinden (2001, McGraw-Hill)*
- *Investing On A Shoestring by Barbara O'Neill (1999, Dearborn Financial Publishing, Inc.)*
- *Slash Your Debt: Save Money and Secure Your Future by Gerri Detweiler, Marc Eisenson, & Nancy Castleman (1999, Financial Literacy Center)*
- *The Late-Start Investor by John F. Wasik (1998, Owl Books)*
- *The Retirement Catch-Up Guide by Ellen Hoffman (2000, Newmarket Press)*

*This fact sheet was prepared in collaboration with the American Savings Education Council.*