

Don't Hate Your Retirement

Today's topic may surprise you. We often think about retirement as a victory and many people do enjoy it. But not everyone loves retirement, in fact some retirees are miserable. So today we're going to look at some reasons that might sour you on retirement. These are taken from a Motley Fool dot com article by Maurie Backman from January 2019. Hopefully, none of these reasons apply to you but if they do, you have time to address them.

First, let's talk about income. One potential negative factor is inadequate income to live comfortably. Social Security will be a source of income during retirement, but it's likely not enough to cover all of your expenses. So you may have to draw from your retirement savings. In retirement, you should expect to have at least 80 percent of the expenses that you have today. Determine if your savings plus social security will be enough to cover 80 percent of what you're spending now. If not, you may want to save more, or eliminate some costs in retirement.

For more retirees, healthcare is a major expense. Costs can feel overwhelming and some systems, like Medicare, don't cover the cost of pre-existing conditions and prescriptions or new ailments and drug costs as you age. You need to have a plan for healthcare costs. Medicare helps with some costs but doesn't cover everything. You may want to look into your options for a Medicare Advantage plan. A Medicare Advantage plan can cover dental or vision care as well as potentially keeping prescription costs lower. You can also prepare for these healthcare costs by contributing to your H-S-A. Money in your Health Savings Account can be used for healthcare costs in the future. There is a yearly contribution limit, so the more time you have to fund that account, the better.

Finally, the number one reason that some retirees hate retirement – they're bored. Think of it as the summer vacation that never ends. Every child is ecstatic for school to end so they can begin their summer adventures. Yet we all know that boredom eventually sets in for even the most imaginative of kids. So parents find day camps, weekly activities, and sports, as well as sleep-overs, learning opportunities or sleep-away camps to avoid hearing the dreaded words, "I'm bored".

Retirees can fill their schedules as well. It's important to think about your daily scheduled before you're retired. That way you can ensure that you'll have enough saved to cover your activities and hobbies. There's also plenty of low cost or discounted options for entertainment in retirement. Museum and gym memberships are often discounted for senior citizens. Outdoor activities like hiking, fishing or simply walking through the park can be economical and mentally and physically beneficial.

It's important to not only look at your current expenses. But the projected costs of your leisure time activities and healthcare costs, as well. Examining these important expenses before you retire may help you avoid regretting your retirement. A slight adjustment today to your savings or retirement date could help you thrive in retirement.

