

## Recovering from a Late Start on Retirement Planning

Procrastination, [Merriam-Webster](#) defines it as: “to put off intentionally the doing of something that should be done” We’ve all procrastinated about something. It could be something simple like doing the dishes or mowing the lawn. Or it could be something larger, like balancing the checkbook, paying off debt or saving for retirement. The longer we procrastinate the harder it can be to get started on a project, let alone actually complete it.

If you haven’t started saving for retirement or haven’t created a clear retirement plan, you know you need to get started. If it’s any consolation, you’re not alone. When the Employee Benefit Research Institute asked workers as part of its latest [Retirement Confidence Survey](#) how much they had set aside for retirement, more than a third of those between the ages of 45 and 54 who answered said they had less than \$25,000 saved, while more than a quarter of those 55 and older said they had less than that 25 grand tucked away.

Not being alone and being comfortable are very different things. You wouldn’t jump off a bridge because your friends did and you shouldn’t avoid taking the next steps for your retirement because you’re not alone. There may be time to improve your retirement prospects. But it’s going to take some serious and potentially uncomfortable steps.

In June 2018 an article on [money.cnn.com](#) entitled, “3 ways to recover from a late start on retirement planning” provided three potential routes to catch up from a slow start to retirement.

**1. Start saving your “you-know-what” off.** Let me be blunt about this. To go from saving virtually nothing to saving diligently is going to require real discipline and some major lifestyle adjustments. But unless you’re willing to make a concerted effort to spend less and save more, your chances of being able to live anything close to your current lifestyle after you retire are likely slim. If you do make the commitment to save, however, you may be able to still come up with a pretty decent nest egg in the waning years of your career.

**2. Stay on the job longer.** While this may not feel like a win, staying longer on the job could potentially increase your monthly Social Security check down the road by delaying filing for Social Security. To see how much your monthly benefit might rise by working longer, you can use the official Social Security Retirement Estimator located at [SSA.gov](#).

The Retirement Estimator gives estimates based on your actual Social Security earnings record. Please keep in mind that these are just estimates. We can’t provide your actual benefit amount until you apply for benefits. And that amount may differ from the estimates provided because:

- Your earnings may increase or decrease in the future.
- After you start receiving benefits, they will be adjusted for cost-of-living increases.

- Your estimated benefits are based on current law. The law governing benefit amounts may change because, by 2034, the combined trust fund reserves are projected to become depleted. Payroll taxes collected will be enough to pay only about 79 cents for each dollar of scheduled benefits.
- Your benefit amount may be affected by military service, railroad employment or pensions earned through work on which you did not pay Social Security tax.

Working with a financial services professional can help you evaluate your estimator results and make a plan that may include working longer at your current job, or finding additional income options.

**3. You will need to be flexible and resourceful.** Your personal financial situation, how much you have saved already, how many years before retirement and other factors may not allow enough time to save or put in enough extra years working to make up for your late start. So you will likely have to be open to other ways to enhance your retirement strategy. Some of these may include downsizing to a smaller, less expensive home or exploring a reverse mortgage on your current home. You could look for part time work to supplement Social Security and savings. There are plenty of resources out there to find work in retirement. [RetiredBrains.com](https://www.retiredbrains.com) and [RetirementJobs.com](https://www.retirementjobs.com) are just two of the resources you may want to utilize.

Those are three ways that you can address procrastinating your retirement planning. The clock is ticking. Don't waste another moment, get started today.

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