

# Five rules to ensure a comfortable retirement

As you approach retirement, there are steps you need to take to ensure your savings can last a lifetime. Regardless of your retirement goals—whether they include travel, moving to a warmer part of the country or spending more time with family, you need to ensure you will have enough money to step away from work, as well as enough income to last you through retirement. Getting your finances in line can help you decide when to retire and what lifestyle you can enjoy.

Now is the time to sit down with your spouse or partner and your financial advisor to take a serious look at the financial side of your retirement plans. The following five simple but powerful rules are a guide to ensure a comfortable retirement:

1.) Save with an outcome in mind. Saving for retirement isn't just about stockpiling cash. It's about growing and positioning your investment portfolio to replace your working income and knowing the savings level and solutions needed to accomplish that.

2.) Cover essential living expenses with guaranteed income. The biggest concern for retirees is that they will outlive their money. Eliminate this worry by building an "income floor" with guaranteed income that covers at least 80% of your basic living expenses. If you are invested in annuities available through your retirement plan you are likely already well on your way.

3.) Be smart about Social Security and taxes. Take advantage of tax-deferred savings vehicles (such as a 403b and 457b—[http://www.upstate.edu/hr/document/suny\\_tax\\_deferred\\_ret.pdf](http://www.upstate.edu/hr/document/suny_tax_deferred_ret.pdf) and manage your distributions and taxes carefully to avoid unnecessary reductions in your net income. When and how you draw Social Security can also affect the income level for you and possibly your spouse:<http://www.socialsecurity.gov/pgm/retirement.htm>

4.) Adapt your investment strategy and your thinking. Unlike your accumulation years, in which you focused on saving and growing your assets over the long term, retirement requires creating an income from assets you have saved over the years. The risks you face in retirement are different than those you faced while accumulating, and can include outliving your nest egg, the effects of inflation and market volatility.

You'll need a flexible strategy to meet the goals of retirement living while also protecting against these new risks that can reduce your lifetime income stream.

5.) Prepare for your legacy. Your retirement strategy should ensure that your surviving spouse, partner or any other members of your family you provide for have adequate income coverage for the rest of their lives.

Disclaimer: This information does not serve as legal or tax advice as retirement investment benefits are subject to market and other risk factors. Please see your personal tax and legal advisors regarding your particular situation.

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