

Four risks that can impact your retirement.

Hello.

Today I'm going to talk about the four risks that can impact your retirement.

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Even with careful planning and diligence saving, some parts of your retirement planning are out of your control.

Here's a look at four common retirement risk, and how to address them.

Number one, life expectancy is longer.

There are many benefits to living longer, but it also means carefully considering strategies to avoid outliving your savings.

You are eligible to start collecting Social Security at age 62, but the longer you wait, the larger your benefit could be.

You also want to consider other sources of regular income, such as annuities, to supplement Social Security benefits and withdrawals from your retirement account.

You may want to discuss annuity options with a financial advisor before adding one to your portfolio.

The second risk is medical cost and long term care.

Increasing health care costs is another risk to consider, even if you don't anticipate needing long term care any time soon.

It might be worth considering long term care insurance now.

It typically becomes more expensive as you age.

The third risk is the market.

Market fluctuations are a normal part of the market cycle, yet a downward turn right before retirement can lower the value of your investments just when you need them most.

As you near retirement, consider rebalancing your portfolio to include more lower risk investments that are less likely to be affected when markets head south.

Finally, rising inflation is a risk.

There isn't much we can do to stop inflation, but you can purchase assets that protect against some of its effects, such as real estate investments or Treasury inflation protected securities known as TIPS, which offer a fixed rate.

But their principal is adjusted for inflation.

In closing, understanding these risk to retirement can help you know how to address them and keep your savings on track.

If you are considering retirement any time soon and need a reliable guide, please give us a call.

We'd love to continue the conversation.

Till next time.