

55 and Counting

Have I Saved Enough?

This summer holds the milestone birthday for me of 55! As I roll down life's highway along with millions of other baby boomers, it occurs to me that I would be well served to pull over for a brief "rest stop" to consider my financial preparation for what lies ahead. Hopefully, it is not too late to make some adjustments, if needed. What questions need to be answered?

First, what will my income be following age 60, 65, 70 or whenever I choose to retire? I need to pull out the projection from Social Security – they send me one every year now. Next, I will check with my retirement plan administrator (mine happens to be Guidestone) and have them prepare projections. I will get with my IRA custodian for help on projecting an amount that may be available from that account. On my savings and investments (however large or small they may be), I will estimate earnings of a conservative 5%. Lastly, I will make my best guess about earnings I could receive from part time projects and any real estate or business holdings. With this information in hand, a reasonable estimate of income should be possible.

Second, what will be my expenses? One rule of thumb some follow is 75-80% of current expenses. To be more specific to my situation, I will take time to list the expenses by categories (food, travel, transportation, giving, medical, housing, utilities, etc.). To these projected expenses, it is probably a good idea to add 10-20% because I know that something will have been overlooked or an emergency or inflation will happen.

Third, how do income and expenses compare? If income exceeds expenses, that is a mighty good start. If expenses exceed income, better see what can be done to boost the savings between now and retirement. This may require some immediate adjustments in lifestyle.

Fourth, how confident am I in these "rest stop" projections? Hopefully, they have gotten me headed in the right direction. However, I have the feeling that it would be wise to get professional advisors with expertise in retirement planning, financial planning, and taxes who can help me adjust my calculations to reflect the impact of taxes and inflation over 10, 20, 30 years or more retirement--God willing. Proverbs 15:22 says, "Plans fail for lack of counsel, but with many advisers they succeed." With God as my perfect counselor and guide, I will ask Him to lead me to capable Christian counselors to help me make plans that will succeed for the glory of God.

Have I saved enough? I am going to review my situation and get the help needed to make sure I know. No matter what your age, it is not too early or late to be a faithful manager of God's resources. Properly planning to use His blessings to provide for family needs and to minister to others is a matter of stewardship. Won't you join me in this endeavor? Don't be surprised to discover that God is unbelievably good in His care for us!

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