

# FINANCIAL FRIDAYS nymeo Federal Credit Union

## The Top 6 Excuses for Not Saving for Retirement



Life is expensive and saving for retirement, when you may not be ready, may feel like it should be on the bottom of list. But, if you save now, you'll enjoy the fruits of your labor and enjoy retirement as you should.

Below are top excuses people make regularly. Do you make any of these?



### **Excuse #1: I am waiting for my current life to get better**

Putting off important financial moves like saving for retirement until an imagined future financial scenario (a new job, raise, bonus, etc) can lead to "lifestyle inflation." This is the scenario for every dollar more someone earns from a raise or bonus, they spend it on a more expensive lifestyle.

Make a commitment to regularly save for retirement with every paycheck and every month, no matter how small the amount.

**Excuse #2:**  
**Retirement is not a priority**

This statement is usually accompanied by the question: "Isn't it better to pay down student loan debt, eliminate credit card debt, establish an emergency savings, etc.?"

While paying off debts and building an emergency fund are sound financial goals, many financial advisors would rank paying for kids' college as the least important as there are many ways to pay for college education, but only limited ways to meet your financial needs when older and not working.



**Excuse #3:**  
**My children's education comes first**

For most Americans, it's a better investment to keep saving for retirement and find other ways to pay for college. As in Excuse #2, there are other options to save and pay for college than there are for retirement. Students can work while in school, qualify for scholarships and grants, take out loans that they'll have a longer time and increasing earnings to pay off, and stretch out their education by studying part time and working part time to avoid student debt all together.

**Excuse #4:**  
**Not planning on retiring**

Recent data has shown that older workers are more likely to be laid off or forced into retirement. To be realistic, you can't count on a consistent and growing salary in later years. But what will happen for sure are increased living and medical costs as you age.



**Excuse #5:**  
**I promise to do it but not now**

There may seem to be an abundant amount of time and you may really intend to save but come up with excuses. Retirement savings and investments rely on compounding interest to make you more money the longer you save.

**Excuse #6:**  
**Social Security will help me**

According to the 2010 trustees report from the Social Security Administration, at the current collection and withdrawal rates, the disability insurance reserve of Social Security will run out in 2032 and the old age and survivors' benefits in 2034, resulting in Social Security's combined trust fund running dry in 2034. Counting on Social Security to cover your retirement may not be in your best interest.

**Schedule a Complimentary Consultation with Anna  
& Irene**



**Anna A. Behnam**  
Financial Advisor



**Irene Tata**  
Financial Advisor

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### **How much does a financial advisor cost?**

Your initial meeting with Anna or Irene is complimentary! Depending on your specific need, as well as the complexity of your situation, you may choose to pay for additional options. [Schedule a time to speak with them at your convenience.](#)

Investment products are not federally or NCUA-insured, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.

The initial consultation provides an overview of financial planning concepts. You will not receive written analysis and/or recommendations.



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