

What to consider when deciding whether to put retirement on hold

by Jason Alderman (www.practicalmoneyskills.com)

One indicator our economy is still hurting is that more and more people are postponing retirement. According to the Department of Labor, those over 55 and still working have increased steadily since the recession began – 28.9 million at last count – and some surveys show more than a third of employees expect to work past age 70 or never retire.

Would-be retirees have faced a perfect storm of negative situations:

- Having to tap retirement savings early to cover bills or tide them through unemployment.
- Plunging home values diminished or erased the equity many had hoped to draw on in retirement.

- Unable to afford – or qualify for – health insurance they'll need until Medicare kicks in.

- And many boomer parents have put their own savings on hold while helping their kids struggle through the recession.

If you're hoping to retire in the next few years, consider the following:

How much will you need? Financial planners often suggest people may need 70 percent or more of pre-retirement income to maintain their current lifestyle, but it's difficult to generalize. For example, some people downsize housing or retire to less expensive areas and thus need less. Others can expect increased medical, utility and other bills to outpace earnings on their savings.

Start estimating your retirement needs by using online calculators:

- The Retirement Estimator at www.ssa.gov/estimator automatically enters your earnings information to estimate your projected Social Security benefits under different scenarios, such as age at retirement, future earnings projections, etc. You can also download a more detailed calculator to make more precise estimates.

- Check whether your 401(k) plan administrator's website has a calculator to estimate how much you will accumulate under various contribution and investment scenarios. If not, try the various retirement calculators at www.bankrate.com.

- AARP offers a retirement calculator to help determine your current financial status and what you'll need to save to meet your retirement needs.

After you've explored various retirement scenarios, con-

sider paying a financial planner to help work out an investment and savings game plan. If you don't have a personal referral, good resources include www.cfp.net, www.napfa.org and www.fpanet.org.

Social Security issues. To make ends meet, many people begin drawing reduced benefits from Social Security before reaching full retirement (65 for those born before 1938 and gradually increasing to 67 thereafter). This can have several financial consequences:

- Your monthly benefit will be reduced by up to 30 percent. (Conversely, if you postpone benefits until after reaching full retirement age, your benefit increases by 7 to 8 percent per year, up to age 70.)

- Although many states don't tax Social Security benefits, they are counted as taxable in-

come by the federal government. So, depending on your overall income, you could owe federal tax on a portion of your benefit. IRS Publication 915 at www.irs.gov has full details.

- If you begin drawing Social Security while still working, your benefit could be significantly reduced depending on your income. Read "How Work Affects Your Benefits" at www.ssa.gov for details. (Rest assured, however: Those reductions aren't truly lost since your benefit will be recalculated upward at full retirement age.)

One last suggestion: Once you've settled on what you think will be a sufficient retirement budget, try living on it for a few months first before retiring to make sure it actually works.

Community Calendar

VERNONIA

Alcoholics Anonymous	Mondays	6:30 p.m., 410 North Street
Alcoholics Anonymous	Thursdays (Big Book Study)	7:00 p.m., 410 North Street
American Legion Post #119	2nd Tuesday	7:00 p.m., 627 Adams Avenue
Booster Club	2nd Wednesday	7:00 p.m., VHS Library
Boy Scout Troop 201	Tuesdays	7:00 p.m., Scout Cabin
Boy Scout Troop 860	Wednesdays	7:00 p.m., LDS Church
Cemetery Beautification Comm.	2nd Thursday	6:30 p.m., Library
CERT	4th Wednesday	For Info Call 503-429-3018
Chamber of Commerce	2nd Wednesday	For Info Call 503-429-6081
Community Coalition	2nd Monday	12:30 p.m. School District Ofc.
Cub Scout Pack 201	Scout Cabin	For Info Call 503-429-4250
Friends of the Library	1st Tuesday	7:00 p.m., Vernonia Library
Girl Scouts, Neighborhood 4-2		For Info Call 503-819-0143
Izaak Walton League	3rd Thursday	For location call 503-429-7193
Kiwanis Club	2nd & 4th Tuesdays	6:30 p.m., New Hong Kong
Lions Club	1st & 3rd Tuesdays	6:30 p.m., New Hong Kong
Municipal Airport Committee	1t Wednesday	6:30 p.m., City Hall
Pioneer Museum		For Info Call 503-429-3713
Public Works Committee	4th Tuesday	7:00 p.m., City Hall
Vernonia Cares Directors		For Info call 503-429-1414
Vernonia City Council	1st & 3rd Mondays	7:00 p.m., City Hall
Vernonia Community PTA	2nd Wednesday	7:00 p.m., WGS Library
Vernonia Garden Club	2nd Tuesday	1:30 p.m., Vernonia Library
Vernonia Grange	3rd Monday	7:00 p.m., Grange Hall
Vernonia Health Center	3rd Thursday	6:30 p.m., 510 Bridge St.
Vernonia Learning Center	1st Wednesday	6:00 p.m., VLC
Vernonia Parks Committee	3rd Wednesday	6:30 p.m., City Hall
Vernonia Planning Comm.	1st & 3rd Thursdays	7:00 p.m., City Hall
Vernonia Pride	2nd Thursday	1:00 p.m., City Hall
Vernonia Ridge Riders	Last Thursday	7:00 p.m., Senior Center
Vernonia RFPD Board	2nd Tuesday	7:00 p.m., Fire Station
Vernonia School Board	2nd Thursday	6:00 p.m., District Office
Vernonia Sr. Center Board	2nd Friday	10:00 a.m., Senior Center
Vernonia Transfer Station	2nd & 4th Saturdays, 8 a.m.-2 p.m.	Behind VHS
Vern. Volunteer Ambulance Assoc.	1st Tuesday	7:00 p.m., Fire Station
Vernonia Volunteer Firefighters	2nd Monday	7:00 p.m., Fire Station
WOEC Directors	3rd Tuesday	7:00 p.m., WOEC

MIST-BIRKENFELD

M-BRFPD Board Business Mtg.	2nd Tuesday	7:00 p.m., Main Fire Station
M-BRFPD Board Workshop	4th Tuesday	7:00 p.m., Main Fire Station
M-B Ambulance Drill	1st & 2nd Thursdays	7:00 p.m., Main Fire Station
M-B Fire Drill	1st & 2nd Wednesdays	7:00 p.m., Main Fire Station
M-B Helping Circle	2nd Monday	7:00 p.m., Main Fire Station
M-B SAR Drill	3rd Wednesday	7:00 p.m., Main Fire Station
M-B Volunteer Assoc.	1st Tuesday	7:00 p.m., Main Fire Station
Natal Grange	2nd Wednesday	7:30 p.m., Natal Grange Hall
T.O.P.S.	Mondays	9:00 a.m., Main Fire Station
Upr Nehalem Watershed Council	For date call 429-0869	7:00 p.m., Main Fire Station

BANKS

Alcoholics Anonymous	Friday	7:30 p.m., Methodist Church
Alcoholics Anonymous	Wednesday	7:30 p.m., Methodist Church
American Legion Post #90	2nd Tuesday	7:30 p.m., Main Street Post
Banks City Council	2nd Tuesday	7:30 p.m., City Hall
Banks Fire District #13	2nd Wednesday	7:00 p.m., Station 13
Banks Library Commission	3rd Tuesday	7:00 p.m., City Library
Banks Planning Commission	Last Tuesday	7:00 p.m., City Hall
Banks School Board	2nd Monday	7:30 p.m., Jr. High Library
Banks Youth Group	Sunday, Wednesday	7:00 p.m., UMC Youth Bldg.
Chamber of Commerce	1st Thursday	12:30 p.m., Fire District Office
CPO 14	3rd Monday	7:00 p.m., City Library
Everybody's Hometown Band	Tuesdays	7:00 p.m., BHS Music Room
Friends of the Library	2nd Tuesday	7:00 p.m., City Library
Lions Club	1st & 3rd Mondays	7:00 p.m., Brown Derby
Sunset Park Assoc.	3rd Wednesday	8:00 p.m., Gun Club
T.O.P.S.	Wednesday	7:00 p.m., Administration Bldg.

COLUMBIA COUNTY (All meet in St. Helens unless otherwise noted.)

Board of Commissioners	Wednesday	10:00 a.m., Courthouse
Citizens for Senior Justice	2nd Tuesday	7:00 p.m., Sunset Park Church
Columbia Comm Mental Health	1st Tuesday	5:30 p.m., 58646 McNulty Way
Columbia Soil & Water District	3rd Wednesday	7:30 p.m., NRCS, 2514 Sykes
County Fair Board	2nd Monday	6:00 p.m., Fairgrounds 4-H Bldg.
County Parks Commission	3rd Tuesday	Times vary, 1054 Oregon St.
Mental Health Advisory Comm.	Quarterly	For Info call 503-397-7211
Comm. on Children & Families	3rd Thursday	5:30 p.m. OSU Ext., 505 N. Hwy. 30
Local Alcohol & Drug Plan. Comm.	Quarterly	For Info call 503-397-7211

Organizations and meeting dates not listed may be included by calling 429-9410 or by mail to The INDEPENDENT, 725 Bridge Street, Vernonia, OR 97064.