Roy Y. Gagaza Cautions Against These 6 Ways Clients Ruin Their Retirement

MANTECA, CA, UNITED STATES, August 26, 2021 /EINPresswire.com/ -- Many workers dream of retirement. Unfortunately, this may never become a reality.

The future is bleak for many. Bloomberg reports nearly 20% of all employees surveyed believe they will never be able to retire. Although 60 years old has long been the benchmark for retirement, this number is trending in the wrong direction. Even as the retirement age has risen, LendingTree states that 74% of Americans intend to keep working even after retiring.

The problem is a lack of preparation. This same LendingTree research explains that four in five U.S. workers don't have even basic long-term financial planning. After retiring from the military, Roy Y. Gagaza has dedicated much of his career to correcting this issue. His company, Journey Wealth Management, LLC, strives to offer sound financial resources so individuals and families can pursue their goals.

With offices in both CA and HI, Roy Gagaza warns against these six common mistakes that often prevent people from retiring.

Spending too much

Overspending is the fastest path to derailing any retirement plans. Splurging on newer cars, larger homes, or fancier vacations may feel like a necessity. Try to prioritize items you want but can live without. Small changes, like not eating out as often, can make a big difference.

Saving too little

Fight the urge to blow through any disposable income. Related to overspending, insufficient saving burns through potential retirement funds. While saving may not come as second nature, set aside a little from each paycheck. Roy Gagaza advocates this disciplined approach.

Ignoring other options

Avoid putting all your eggs in one basket. In fact, most U.S. employees are padding their nest in the wrong basket altogether. Regular savings accounts are not enough for retirement alone. Given low-interest rates, bank accounts are not effective places to store money. Yet, NerdWallet claims 55% of Americans use this as their primary method for retirement savings. Social security falls short too. Individual 401(k) and IRA plans are strong choices for small businesses or self-employed workers.

Neglecting taxes

Although some of these plans are tax-deferred, don't disregard having to pay these taxes in the future. People often incorrectly assume they won't need to pay income taxes after retirement. As easy as it sounds, underestimating these totals can prove costly.

Overestimating earnings

Money plus time produces the best results. The formula seems simple enough. However, too little of either one can instantly make retirement less than ideal. Overestimating potential lifetime earnings breeds uncertainty. Set realistic goals and manage expectations.

Adopting tunnel vision

Even the best plans have pitfalls. Whether it's unanticipated illness or long-term care needs for a child or spouse, there are several factors that may slow your plans. Roy Gagaza points out you can't prepare for every "what if," but you can minimize risk. Understand variations occur. Check your math but always prepare for catastrophe just in case.

Dacey Pease
Journey Wealth Management
email us here
