HALLIBURTON | Let's Talk ... About Your Financial Future

Let’s Talk About...

When to Retire

When it comes to retirement, it can be exciting to get closer to the retirement you’ve been picturing – whether it will be spent traveling the country, moving somewhere new, or just spending more time with family. But how do you decide when the time is right? There are a number of factors that should play into your decision – here a few to consider:

Have you saved enough?

The longer you work, the longer you can keep building your savings. And don’t forget, working longer means you’ll continue to receive Halliburton’s matching contributions to further maximize your retirement savings.

How much is enough? There’s no one-size-fits-all answer, but as a guideline, Fidelity recommends having 10 times your final salary saved to retire comfortably at 67. If you retire earlier, say at age 62, you’ll need to have more saved in order to cover those additional years of retirement — in that case, Fidelity recommends saving 14 times your final salary.

When will you take Social Security?

You can start claiming Social Security benefits at age 62. However, your benefit will be larger if you wait until your full retirement age (age 67 for most people working today). Plus, you get an 8% increase in your Social Security benefit for every year you delay claiming Social Security past your full retirement age. So if you delay retirement — or retire but wait to claim Social Security — it could mean a larger benefit for you.

Fidelity’s Social Security Benefit Calculator can help those age 40 or over estimate their monthly and lifetime benefits at different ages. Fidelity also offers a helpful webinar titled “Learn the Basics of When and How to Claim Social Security.” To enroll in this or other live Fidelity webinars, click here.

How will you pay for healthcare?

According to Fidelity, a single 65-year-old who retired in 2023 may need approximately $157,500 saved (after tax) to cover health care expenses in retirement. For a married couple, the amount doubles to $315,000.

Since healthcare is typically one of the largest expenses in retirement, it's important to have a plan for how you'll pay for it. If you have saved money in a Health Savings Account (HSA), you can use that for expenses. You will not be eligible for Medicare until age 65, so if you retire earlier than age 65, you will have to make other arrangements for insurance coverage. This might mean:

- Enrolling in COBRA coverage for up to 18 months (if eligible)
- Enrolling in your spouse's employer plan (if your spouse is still working)
- Purchasing individual health coverage on the Health Insurance Marketplace

Talk to a Fidelity Workplace Planning Consultant

Halliburton's 401(k) plan includes complimentary one-on-one retirement planning help. Call (800) 603-4015 to get started or make an appointment here. A dedicated Fidelity representative has been assigned to the Halliburton plan and will conduct quarterly in-person (at select Halliburton locations) or virtual one-on-one planning sessions year-round. You can schedule a virtual session with a general Fidelity representative anytime. Click here to learn more and sign up for a virtual session.

Sources:

Fidelity.com: "When Can I Retire?"

Fidelity.com: "How to Plan for Rising Health Care Costs"

Investopedia.com: "When to Retire: Pros and Cons of Different Ages"

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