

Money Zone: Social Security

Each member can print this out and have it available to follow and take notes.

Social Security is one of the more controversial financial questions of our time—will it be there for you, or won't it? Should it be privatized or not? What happened to the trust fund? Of course, politicians will still be debating by the time all of us are retired. Here's how to make sure you get the most out of Social Security, no matter what Washington does.

Icebreaker

Who among your family or friends has already begun collecting Social Security? What has their experience been like?

Things to Talk About

Now that people are living longer, more and more people are drawing benefits. In 1940, there were 40 active workers to support each person receiving Social Security. Now, there are only three workers for each beneficiary, and that number will continue to fall. Keep in mind that the age at which you can start receiving full benefits is going up as well. It used to be 65, but the qualifying age for full benefits is now increasing on a graduated scale. By 2027, the age will be 67. So you're probably going to have to wait longer and longer to qualify for full benefits to start replacing a smaller and smaller percentage of your pre-retirement income.

Pick the question your Club finds most interesting. If there's still time, pick another one -- or make up your own!

- Is Social Security a large part of your personal retirement plan?
- Are you familiar with Social Security's other benefits, such as disability and widower benefits?
- Do you think your children (or anyone in the next generation) should count on receiving Social Security?
- Do you prefer the idea of a guaranteed fixed benefit like Social Security, or do you prefer to manage your own funds, with the attendant risks, as in a 401(k) or IRA?

AS USUAL...

Catch Yourself Doing Something Right

Share your success with your fellow Club members:

- What Money Miracle (unexpected good fortune) did you have since last meeting?
- What did you do since last meeting to become a Money Star (a money-savvy gal in charge of her finances)? How did you further your financial goals?

What Will You Do Today?

Choose one **Small Step** to do before next meeting, and pledge to the group to do it. To select that 15-minute exercise, ask yourself these questions:

- What are your money challenges before the next meeting?

- What do you need to focus on?
- What is the next step in your life -- and what can you do before the next meeting to achieve it?

Don't drive yourself crazy. Remember, you can do anything for 15 minutes! For example:

- I will spend 15 minutes reading my Social Security Statement and making sure that all of my earnings are correctly recorded.

Or

- I will investigate Social Security benefits for my parents or retirement-age relatives who may need help sorting through the red tape of the Social Security system.

Or

- I will investigate the range of Social Security benefits available for divorcees, widows, and others who may not qualify for full benefits under their own earnings, as befits my personal situation.

You get the picture. This is like Goldilocks. Don't try to do too much. Don't try to do too little. Do it just right.

[More Cool Ideas for Small Steps](#)

Money Magic

Choose one affirmation to motivate you to achieve your goals, something like:

- I am planning for my future.
- I am completely aware of my options regarding retirement.
- I am investigating my retirement benefits.
- I am becoming a Money Star.

The Money Zone for Next Meeting

Cast your vote: Does your Money Club want to stay in this Money Zone, or do you want to move on to the next Money Zone?

If your group decides to Stay in the Zone then, future Money Star, check out these fun articles so you can discuss them at your next meeting. Even if your group decides to move to the next Zone, you still can explore these on your own.

Social Security Basics

http://www.practicalmoneyskills.com/english/at_home/life_events/retire_elder/socialsecurity.php

Discussion questions:

- What additional information did you learn about the Social Security system?
- Did this article change the way you see the Social Security system?

Women and Social Security <http://stretcher.com/stories/02/02apr22c.html>

Discussion questions:

- What does this information mean to your own retirement plans?
- What further information are you inspired to seek out?

Social Security Benefits and Divorce http://wife.org/suddenly_single/ss.losingssbenefits.htm

Discussion questions:

- Did this information surprise you?
- What steps can you take to collect on your Social Security benefits based on your ex's earnings record?

Just for You

Before the next Money Club meeting, do the Just for You Exercise called "Determining Your Benefits" <http://www.moneyclubs.com/tobeposted>.

Don't skip a meeting if you don't get this done. Half of life is showing up, Money Clubs included. You can tell the group you didn't get it done, and they will encourage you (not bug you) to make a date to do it soon.

Discussion questions for your club meeting:

- How can you ensure that your future earnings are credited accurately?
- How can you enhance your retirement plans to be less dependent on Social Security?