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Financial planning is usually your best choice if you want to secure your future. If you aren't sure how to get started, [Building Benjamins](#) shares some financial planning tips to get you headed in the right direction.

### Make Retirement Planning a Priority

When parents create a financial plan, they don't always prioritize their futures. Instead, they often focus on their children. While that can certainly be a good thing, neglecting your retirement account could mean significant financial hardships later, both for you and your children. That's why you want to make saving for retirement a priority.

If you're working for an employer with a [401\(k\)](#) or similar defined contribution [employer-sponsored plan](#) and offers an [employer match](#), make sure you're contributing enough to at least capture that match. By doing so, you're getting as much "free" money as possible, which is always a smart move.

If your employer uses a defined benefit plan, you'll need to calculate the payout to determine whether you need to set aside more for retirement. Every company may use a different formula, so review the one associated with your plan to see how much your account is worth at any given time.

Outside of employer-sponsored plans, your main options are traditional and Roth IRAs. With [traditional IRAs](#), you get immediate tax advantages as contributions are deductible during that tax year—however, withdrawals during retirement are taxed as income. [Roth IRAs](#) work the other way around. You contribute after-tax dollars but can make tax-free withdrawals during retirement.

It's important to note that there are yearly contribution limits for retirement accounts. The [IRS](#) sets the limit, and it can vary from one year to the next, so you'll want to research it to determine how much you're allowed to set aside.

Additionally, make sure you are saving enough across all of your retirement accounts. If possible, aim for a total yearly contribution (including the value

of any employer match) of 15 percent of your annual income. That way, you'll be on the path toward long-term financial security.

## Embrace 529 Plans for College

If you have children and want to set money aside for their college education, a 529 plan is the ideal way to make it happen. The account works similarly to a Roth IRA, allowing you to invest after-tax dollars in exchange for future tax-free withdrawals, including on your gains. However, instead of waiting until retirement age, withdrawals can occur once your child needs to cover college expenses.

Florida offers 529 plans through Florida Prepaid. As a result, most Santa Rosa Beach families may want to start there to explore their options.

## Invest Beyond Retirement and College

Once you have your initial retirement savings and child's college plan squared away, it's time to look for outside options for investing. Often, the easiest way to expand is by signing up with a brokerage, giving you a way to invest in stocks, ETFs, and more.

It's also wise to consider investing in real estate to build your finances. With investment properties, you can secure a steady income. Plus, there are few barriers to entry, and you can turn a profit in a wide range of markets. When it comes to drawbacks, the cost of purchasing an investment property is usually the biggest, along with potentially having to deal with problem renters. However, you can navigate those hurdles if you use thorough screening processes on tenants and plan for the purchase in advance.

## Author Information

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