

## **Retirement Tour Guide**

Traditionally, people's biggest asset has been the ability to produce an income. The wise retirees of the past have saved more than they spent and have fared well. It is not as much about earning a certain rate of interest as it is about mapping out a simplified strategy for your savings sooner versus later.

If you are a pre-retiree or retiree you might still be putting those principal dollars aside. I urge you to work with a financial services professional that can analyze where you are relative to your retirement goals and can show you ways to help achieve your goals. With people living longer in retirement, you can't save blindly anymore. This applies to whether you are 45 or 75. You can't just say, "I want my net worth to be a million or half a million dollars." A financial services professional can help you to estimate your future income and expenses for the most effective retirement income planning strategy.

It seems that one of three things happen to those who don't have a retirement income plan which incorporates funding long-term health problems and/or the death of one spouse. 1.) You find out later in life that you don't have enough money to live your current lifestyle and have to make dramatic changes like moving or getting government assistance. 2.) You save and save and never really get to enjoy the money you worked so hard for your whole life because you are afraid you'll run out of it. 3.) Of course there are those that luck out and make it without a plan, but this is not recommended.

It is very simple to make sure none of the above things happen. It's a matter of when to plan more than what to plan. When you come up with a strategy early in retirement with a financial services professional, you give yourself the best chance for a successful retirement including having peace of mind knowing your affairs are in order.

It is critical for all retirees to plan for unexpected circumstances such as extensive health problems and premature death of a spouse who provides a part of the household's essential income. When a couple loses a spouse, the lower social security stops and the pension stops or is reduced. There needs to be either enough assets or an insurance policy to replace the lost income. "Enough assets" is a subjective term. Work with a financial services professional who can show you if you'll be able to generate as much income as you'll need. If you don't need the insurance policy then let it go to your children, grandchildren or a charity. If you don't have a strategy for dealing with potential long-term health problems, you run the risk of eating up your nest egg in the future to pay for healthcare.

Avoiding a "just in case" lifestyle means planning for the future in the present. If you have a financial services professional help you develop an income plan that incorporates reducing risk associated with an unexpected event, you will be able to utilize your life savings to the fullest. Having a long, happy and healthy retirement is what we all hope for. Don't just hope for it, plan for it!