

The Five Biggest Threats to a Secure Retirement

BLIND-SIDED IN RETIREMENT



Planning for Retirement's Unexpected Expenses

Brought to you by
Lee Hyder

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Blindsided In Retirement... Planning for Life's Unexpected Expenses

John Lennon once said "Life is what happens when you're busy making other plans."

While that is certainly true, he should have also mentioned that financial "setbacks" are what happen when you fail to plan for life's unexpected events! In fact, no one plans to get injured, lose a job or get into a car accident, but these things happen anyway. Fortunately, you can prepare and get organized before "life" happens.

Of course, not all life events catch us off-guard. We plan in advance for some of them. For example, few of us ever unwittingly get married. If people planned for a potential job loss as carefully as they plan for their nuptials, they would find themselves in a much better condition when this happens!

“Everything happens to everybody sooner or later if there is time enough.”

George Bernard Shaw



There are two ways to prepare for life's unexpected events:

- ▶ Chart the possible events you *know* you'll face in your future
- ▶ Chart the possible events you *might* face in your future



The Readiness Blueprint

Planning ahead is also called “contingency planning.” Contingency planning is important because during crises and tragedies, it’s hard to think clearly. It’s best to think through the best steps to take now, before you’re emotionally overwhelmed and distracted by an unfortunate life event.

To help get you started on your Readiness Blue Print, a very powerful first step is the understanding of your money’s true purpose. For some, it is the creation of security. For others, it is to provide adventure. Others believe the true purpose for their money is to serve their faith or to create self-reliance. A clear understanding of one’s true purpose for money can also help us to avoid using our money in ways that damage our peace of mind.

Money itself is merely paper, metal, and electronic data. Throughout the course of life, each of us attaches other meanings associated with money. Some people have a lot of money, yet never find fulfillment, while others with relatively little money are happy, content, and satisfied.

True happiness comes from values being realized in your life: adventure, excitement, relationships, love, and fulfillment. Money is the tool, and when it used purposefully, it helps to create the things that are most meaningful and important to you.

THE TRUE PURPOSE FOR MONEY IS:

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The Readiness Blueprint

Getting Married

- Combining assets
- Insurance changes
- Beneficiary designations
- Asset titling
- Tax implications

Taking Care of Adult Children

- Income needs
- Insurance
- Increased expenses
- Credit
- Clothing

Taking Care of Aging Parents

- Long term care
- Health care costs
- Home health care
- Disposal of assets
- Income replacement
- Insurance issues
- Estate Planning
- Remodel or change home

Retirement

- Shifting from accumulation to distribution
- Retirement income
- Fulfilling activities
- Critical care worries
- Worry over retirement income due to market activity

Divorce or Separation

- Tax implications
- Income changes
- Insurance issues
- Child support
- Alimony
- New home/car/home furnishings

Getting Remarried

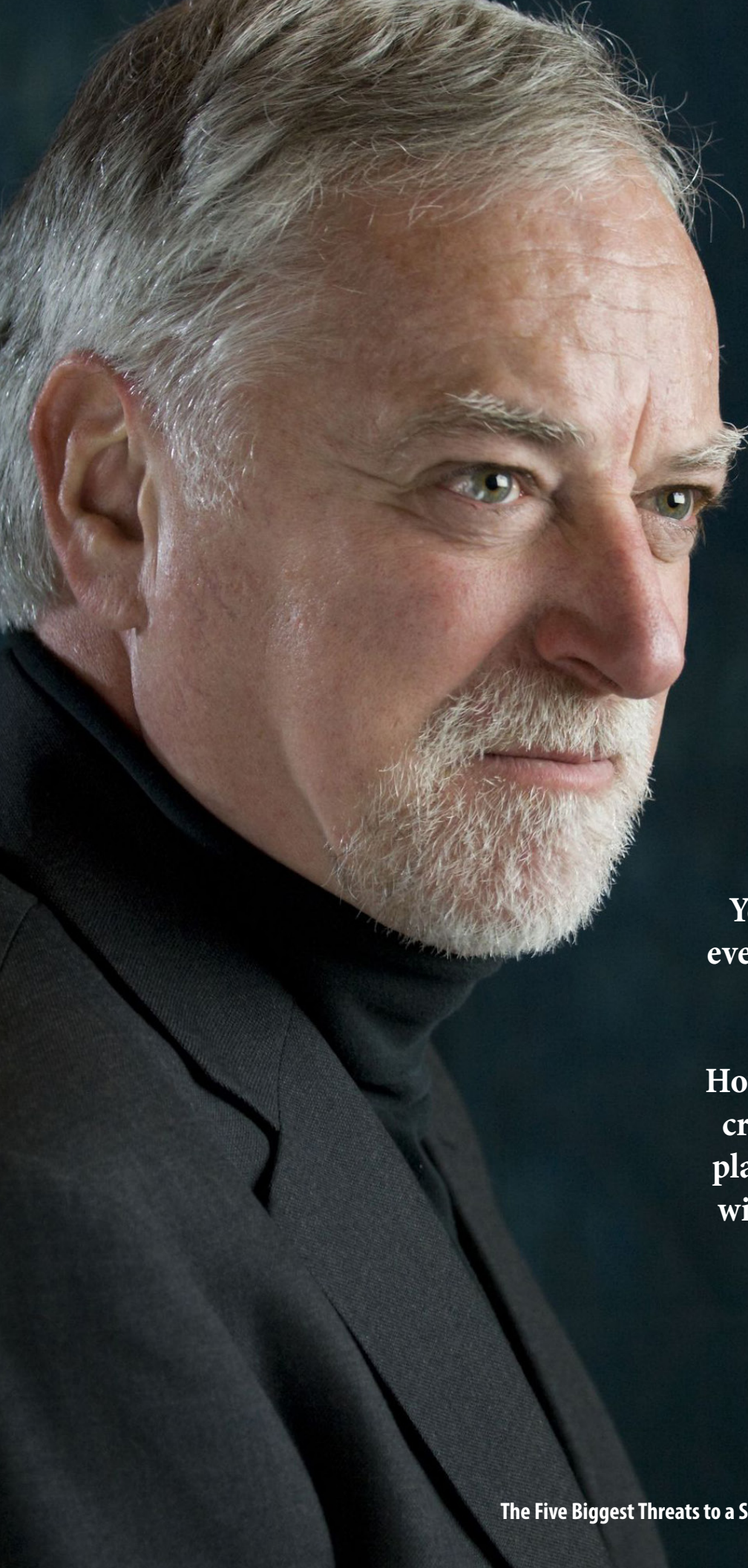
- Joint financial responsibilities
- Combining assets
- Beneficiary designations
- College costs for additional children
- New home and mortgage
- Review spending patterns & expenses
- Discuss financial obligations to family

Pre-Retirement

- New vocation or avocation options
- Retirement Planning
- Concern about retirement savings
- Concerns about mortality

Critical or Life-Threatening Illness

- Income reduction
- Insurance issues
- Asset management
- Medicaid planning
- Long Term Care
- Wills and Trusts
- Powers of Attorney



You don't have to set aside every spare nickel in case you need it in the future.

However, you should strive to create a proactive, strategic plan and manage your assets with the “what ifs” in mind.

The Next Steps

As you can see from the table, there are a lot of life events to plan for!

Use this table to look ahead and create some advance contingency plans. You don't have to set aside every spare nickel in case you need it in the future. However, you should strive to create a proactive, strategic plan and manage your assets with the "what ifs" in mind.

Some of these scenarios are easy to navigate, while others are far more complex. If you would like assistance with creating your contingency plans, please call us for a complimentary consultation. We've helped hundreds of clients prepare for these life situations, and we'd be honored to share our financial experience and expertise with you as well.



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