

RETIREMENT PLANNING ALSO MEANS DREAM PLANNING – BUT WILL YOURS MATERIALIZE?

by Peter Blatt

Not everyone's dream retirement is the same.

Perhaps yours involves traveling in an RV to National Parks, places you spent a lifetime hearing about but never got the chance to see.

Or maybe your dream retirement is to launch your own business, something you wanted to do long ago. But with bills to pay and college tuition costs for children, the idea of quitting your day job and taking the risk caused too much anxiety.

Whatever "dream retirement" means to you, the pertinent question is: What steps should you take to make sure your dream doesn't remain just that, a phantom aspiration that never materializes into something solid? After all, that dream won't become a reality without a little work and planning on your part.

Here are a few ideas on getting started:

- **Envision yourself in the near future.** It's tough to accomplish a goal that is nebulous, so it's important to decide what "dream retirement" means to you. Perhaps you already know exactly what that is. Great. But some people arrive at retirement with no real sense of how they expect to spend their newfound free time. During their working years most of their thoughts about retirement involved saving money for it, which is good, but they failed to visualize what retirement would look like. If you are one of those people closing in on retirement with no real plan, it's time to step back and think about the life you want to lead going forward. Close your eyes and imagine a time three to five years from now; imagine all the great things you have learned, experienced, and done. Start from that place and now let's put some numbers on your dreams.
- **Create a budget.** There's a good chance your dream will cost money, so you need to determine how it fits into the overall breakdown of your income and expenses. To accomplish your dream, you may need to cut down on how often you dine out or avoid the temptation to stop any time you drive by a favorite retail store. Creating a budget is one of the hardest things for most people to do. They underestimate by 20 to 30 percent how much they are spending. Some individuals, though, are much more methodical. About one-third of my firm's clients will give us a detailed spreadsheet, showing they know exactly how they are making use of their money.



- **Don't let tangential problems unravel your dream.** Surprisingly, for many people, time and money aren't what's getting in the way of turning a fuzzy dream into a well-defined reality. These people know exactly what they want to do and how much money they will need to do it. But something else keeps them from accomplishing their dream. One couple I work with wanted to travel, but the wife was helping her son by handling the billing at his business. She worried that her absence would create problems. When the husband realized this was what kept her from traveling, he suggested a solution that would make billing easier for the son while they were away. But this sticking point didn't come out into the open until I was helping them with their dream planning.

As with the couple in that anecdote, perhaps the culprit that keeps you from fulfilling your dreams has nothing to do with economics. Instead, you're letting something you consider a responsibility weigh you down and block your path forward.

Maybe it's time to talk things out with your spouse or family. You might also want to meet with a financial professional who can serve as a guide to help you discover what it is you want out of retirement – and how you can get there.

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