Being Realistic about Retirement

Nearly everyone has expectations and dreams about retirement. One dream being realized is that people are healthier and living longer, which allows them to enjoy retirement for a greater portion of their lives than ever before. In fact, it's not uncommon for people to spend one-third of their lives in retirement.

Consequently, your retirement assets must last longer and accommodate cost-of-living increases. Proper planning and follow-through can help you avoid income shortfalls and assure a smooth transition from the world of work to the world of retirement.

Keeping Pace with Change

Planning ahead means setting goals and deciding *how* they will be met within the framework of a changing financial landscape. Without a solid financial foundation, you may face some hard choices during your retirement years. A plan, executed faithfully, may help to simplify many of those choices.

As retirement approaches, consider these factors to achieve an enjoyable retirement:

- Regardless of your age, projecting the income you will need in retirement can help you develop long-term savings strategies. Once you have a goal in mind, you may want to take advantage of any tax-efficient retirement savings vehicles available to you, such as a 401(k) plan or Individual Retirement Account (IRA).

- Some people think that they will be able to maintain the same standard of living they enjoyed during their working years when in retirement. The likelihood, however, is that you may have to make adjustments and reconsider certain expenditures. Take a hard look at your lifestyle. Since it's not uncommon to spend 20 or more years in retirement, plan to ensure that your retirement assets will be sufficient for the long term.

Regardless of *when* you plan to retire, it is important for your goals and expectations to be realistic. To be sure that you are on the right track, review your retirement savings, along with your objectives, with your financial professional. It may bring you one step closer to your retirement dreams.

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