



LIFESSETTLEMENT
ADVISORS

Did you know you can sell all or a portion of a life insurance policy, even term insurance?



The Guide to Goal-Setting in Retirement



Retirement can be one of the most fulfilling and enjoyable parts of life. These are the years when folks can relax and enjoy the fruits of their labor. The working years are over, giving way to free time and the chance to explore new interests and hobbies, while also building memories with family and friends. But, just like anything else, finding happiness sometimes can take planning. In this white paper, we at Life Settlement Advisors want to give you some idea on just how to make sure your retirement dreams and goals come true.

Figuring Out Your Retirement Goals

While financial readiness is certainly important, it's not the whole picture when it comes to setting your goals. [A study performed by Wells Fargo](#) found that a holistic planning mindset was more helpful than a purely financial one. Your goals are very much your own, and they should always reflect your specific hopes and dreams. But, in order to reach them, there needs to be plans in place in the event that something unexpected arises. For instance, a savings plan designed to ensure a yearly vacation to Florida might take a hit if an unforeseen medical or housing cost comes up.

When establishing a plan, it's important to engage in valuable self-reflection. What has been important to you in your life? Have you fantasized about travelling to faraway locales? Do you yearn to start a new career or artistic endeavor? Maybe it's a hope as simple as spending more quality time with your grandchildren. Whatever those wishes are, they can be translated into attainable and achievable goals.

All of that being said, much of the pressure that comes with retirement planning is derived from the monetary needs and limitations of folks living off their savings. It's important to understand how these goals should be translated into financial preparation, as well as healthy spending habits.





Financial Preparation in Retirement

Happiness in retirement comes from many different sources. However, the ability to achieve goals and pursue that sense of enjoyment is always backed by sound financial planning. Without a well-defined plan for your money, you may be scrimping and saving just to get by.

Emergency Fund

Sound financial planning can protect individuals from surprise bills and expenses. Sadly, a [study by the U.S. Federal Reserve](#) found that 40% of Americans wouldn't be able to come up an extra \$400 at a moment's notice. There are a multitude of potential emergency costs that could potentially pop up during your retirement. There may be a sudden medical bill for treatment, a home repair, or issue with your car. At any rate, securing a well-stocked rainy day fund can help to offset those costs and keep you from emptying your savings. [Financial advisors generally suggest](#) making the emergency account equal to three to six months of the salary you made while working.

Retirement Nest Egg

Similarly to an emergency fund, nest eggs help to set up seniors for success in retirement. [Social security is only intended to cover 40%](#) of the annual income individuals had during their careers. However, many advisors suggest that retirees require between 80% and 100% of their annual salary to live comfortably. That means that in order to keep from dramatically scaling back your life goals, you need to cover the additional 40%-60% of income. A great way to do this is with a 401k. These employer-sponsored plans contain compounded interest and matching funds, meaning your egg can grow much more quickly. Looking for a good rule thumb? Try to grow your nest egg to 10 times the amount you'd like to have as income per year in retirement.

Living Debt Free

Though it can be a huge hinderance, it's very common for Americans to live with a substantial amount of debt. [A recent study published by GoBankingRates](#) found that the average individual in the U.S. owes a total of \$52,400. Whether it's in the form of credit cards, mortgages, or student loans, that kind of added cost can be a real hit to your savings. That may even be a big reason why [42% of Americans possess zero dollars for their retirement account](#). If you have time, work to consolidate your debt before reaching retirement age.

Creating Revenue Through Investments

Not everyone is gung ho about risky investments. [Even for the wealthier investors](#), studies have shown a real aversion to taking a chance in the stock market. However, with the right financial guidance and a diverse portfolio, these types of gambles can pay off in the end. When setting up your goals for retirement, it's important to consider your own feelings on the matter. Are you someone comfortable with an unsure investment, or do you prefer trusted sources of income? It's also a good idea to reflect on your feelings of giving up control. In many retirement plans, an advisor or planner can take over your portfolio. If you're not okay with someone else making the decisions, it may be a good goal to move for financial independence in this area.



Importance of Preventative Care and Health

Setting goals for yourself means imagining a long and healthy life in retirement. Regardless of what those hopes and dreams may be, creating this map of benchmarks assumes you'll be around for a long time to come. So, it's important that your preparedness is matched by your approach to healthcare. Luckily, many of the health issues that can plague seniors may be controlled or mitigated through early, preventative care. Here are some important tests and procedures that can help to keep you chugging along through your golden years.

Annual wellness check up

A yearly exam is just what the doctor ordered. During these annual check-ups, your primary care physician will measure your height, weight, body mass index, and general vitals. More importantly, though, they can help you to identify goals for your health. They can make recommendations for exercise or eating habits, and help to inspect any lingering or developing health issues preventing you from reaching your goals, such as a bad back or sore knee.

Important health screens

Keeping true to your goals in retirement also means avoiding late diagnoses of major illnesses. It's important for seniors to be screened early for several conditions, including high blood pressure, diabetes, heart disease, and breast and colon cancer. Many of these tests can be performed by your GP, meaning there's no need for expensive out-of-network payments.

Influenza vaccination

The flu may seem like something worth brushing off or taking as an unavoidable fact of life. However, for senior citizens, the virus can cause serious complications. In fact, in 2018, [90% of all flu-related deaths were adults over the age of 65](#). It's not worth risking it, so be sure to make getting an annual flu shot a major part of your list of goals.





Travel Goals for Seniors

When retirement is done right, it can provide a chance for seniors to fulfill lifelong dreams. For many Americans, the idea of travel is still a very popular goal. [According to AARP statistics](#), older Americans planned on taking 4-5 trips in 2019, with an average total spend of nearly \$7,000. Setting vacation goals can be fun, but should still be approached with careful consideration of a few finer points.

Create a List of Destinations

Thinking about where you'd like to head for vacations is about blending the spots you've never seen with the places you already know you love. Perhaps there's a faraway island you've always dreamed of washing up ashore at; maybe there's a cherished campground where your folks used to take you as a kid. Documenting these vacation goals will help you to properly prioritize these destinations.

Make a Mix of Big and Small Trips

Not every travel plan needs to be elaborate. When prioritizing and planning these trips, it's helpful to create a healthy mix of both big and small destinations. A trip to Europe or the Grand Canyon can be just as fulfilling and exciting as a weekend excursion to a nearby big city.

Consider An Array of Vacation Properties

When heading out for an extended stay, there are now many more options for housing than hotels. Popular apps like Airbnb have created an affordable alternative for travelers by allowing them to rent out the homes or apartments of city residents. But if you find yourself travelling to one or more locations on a regular basis, it may be worth setting a goal of renting or purchasing a vacation property as a way of cutting the costs of vacation.

A happy and healthy retirement provides seniors with a chance to knock things off the old bucket list, one by one. Setting goals for yourself in retirement is hugely beneficial. Not only does it ensure that you make the most of your golden years, but it helps to keep you active, motivated, and working toward the future. Remember, retirement isn't the end - it's just the beginning of a new era.

Did you know you can sell all or a portion of a life insurance policy, even term insurance? Selling an unwanted life insurance policy is no different than selling your car, home or any other valuable asset that will create immediate cash. Contact us today to learn more.

Leo LaGrotte
Life Settlement Advisors
llagrotte@lsa-llc.com
1.888.849.0887