

## Financial conditions will change, but your goals shouldn't

No matter what you learn today, it's not likely to be all that important to your financial security 10, 15 or 30 years into retirement.

What's more important is to have financial resources that outlive you.



**Gary Brooks**

Whether it's the outlook for stocks or bonds, unemployment, inflation/deflation, budget deficits, or global economic stability, very little of today's conditions will be meaningful to you in the long run. (Of course, that doesn't mean you should stop reading. It always helps to be informed.)

What is meaningful is to develop a strong sense of what you are trying to get to and what it requires from your savings, spending and investing resources.

Economic and market conditions change like the wind, but your pursuit of financial freedom is an enduring effort.

So questions like when to start Social Security, what withdrawal rate from an IRA can be sustained for decades and when you can afford to not insure against a potential need for long-term care are significant decisions.

Here are some ideas about how to make them.

**NURTURE YOUR FINANCIAL ECOSYSTEM**

You have a financial ecosystem with many interconnected elements – important money considerations that evolve as your life situation changes to address income, investing, insurance, taxes and estate planning.

Many people fail to integrate the pieces of their financial lives because they have no formal plan for how to evaluate how one financial decision impacts the rest of their personal ecosystem.

At the center of this system should be your vision of what you're trying to get to – your personal definition of financial security and your life goals.

When these targets are at the center of your plan, you will be less likely to be distracted amid the constantly changing but always present financial, economic or personal crises that define the day.

You will have a framework and context for how to respond to all "what if?" opportunities or challenges that are presented. You will have a better view of when it's time to save more, spend less, adjust the size of your goals (up or down) or modify your investment strategy.

For example, if you are trying to decide if you can afford to take a year of career intermission, pay your grandchild's tuition or make a large charitable gift, you'll have the ability to weigh the feeling or experience of those events compared to the impact on and timing of your other important goals.

**YOU'LL SPEND THE REST OF YOUR LIFE IN THE FUTURE**

Predicting the future is certainly impossible, but preparing for it is not.

Disciplined savers and investors working from a plan with faith in the future will rarely fail. Ideally, with a vision of what you are trying to get to, you will have the luxury of adapting the savings and investments to fit the vision rather than changing the vision to adhere to the investment climate.

Of course, your vision and life goals must be within reason. It's your personal savings and investment discipline that must do the heavy lifting to reach your goals. Over time, market performance should help your savings grow beyond inflation and create a long-term margin of safety around your lifetime income. But investment returns alone won't overcome insufficient resources to support your goals.

Plan beyond the uncertainty of today or your experience of the past with this thought from Carl Bard in mind: "Though no one can go back and make a brand-new start, anyone can start from now and make a brand-new ending."

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