

A Bucket Plan to Go with Your Bucket List

John and Mary are nearing retirement and they have a lot of items on their bucket list. Longer life expectancies mean John and Mary may need to prepare for two or even three decades of retirement. How should they position their money?¹

One approach is to segment your expenses into three buckets:

- Basic Living Expenses— Food, Rent, Utilities, etc.
- Discretionary Spending — Vacations, Dining Out, etc.
- Legacy Assets — for heirs and charities

Next, pair appropriate investments to each bucket. For instance, Social Security might be assigned to the Basic Living Expenses bucket.²

For the discretionary spending bucket, you might consider investments that pay a steady dividend and that also offer the potential for growth.³

Finally, list the Legacy assets that you expect to pass on to your heirs and charities.

A bucket plan can help you be better prepared for a comfortable retirement.

Call today and we can develop a strategy that may help you put enough money in your buckets to complete all the items on your bucket list.

1. John and Mary are a hypothetical couple used for illustrative purposes only. Diversification is an approach to help manage investment risk. It does not eliminate the risk of loss if security prices decline.
2. Social Security benefits may play a more limited role in the future and some financial professional recommend creating a retirement income strategy that excludes Social Security payments.
3. A company's board of directors can stop, decrease or increase the dividend payout at any time. Investments offering a higher dividend may involve a higher degree of risk. Keep in mind that the return and principal value of stock prices will fluctuate as market conditions change. Shares, when sold, may be worth more or less than their original cost.

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