

# Wise Woman

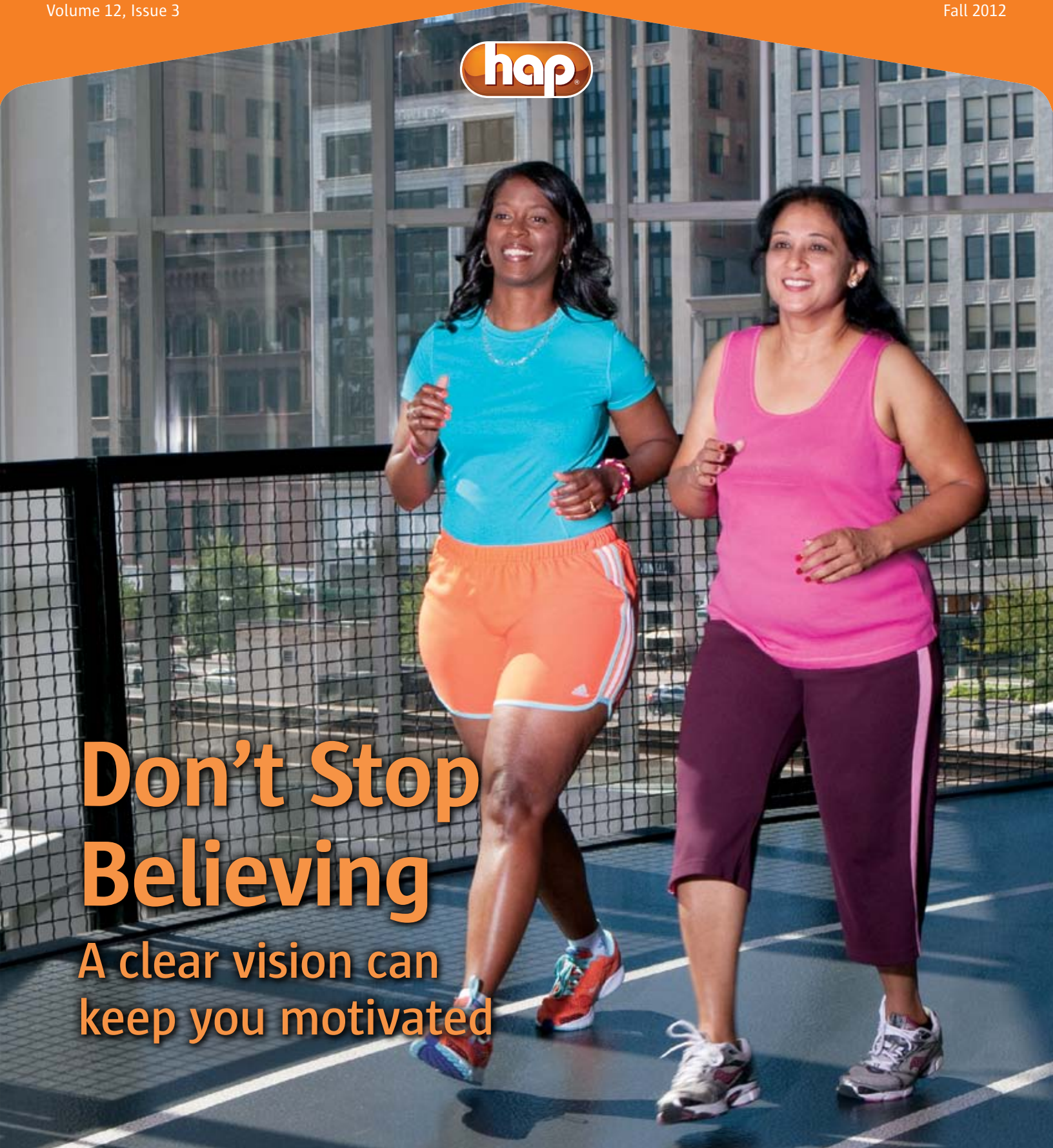
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**Don't Stop  
Believing**  
A clear vision can  
keep you motivated



# Your Life Plan Needs a Cash Flow Plan

Where would you like to be 20 years from now? On the deck of a cruise ship on the Mediterranean? On a trek in the Andes mountains? Or something simpler, such as spending time with family and friends at your paid-off home, the frenzy and pressures of the workplace a distant memory?

“Identifying your vision for the future helps to bring clarity and focus. That’s one thing many people are lacking,” says Robin Thompson, M.A., president of Budget Wise Consulting and WXYZ Channel 7 Money Coach. “Some people are saving, but they don’t know how much they need because they haven’t defined where they want to go. Once you know where you want to be, you can bridge that gap with where you are right now.”

To get motivated and plan a path to reach your financial goals, write your goals in a journal or create a vision board. If you’re married, it might be fun to plan your board with your spouse.

Then it’s time to create your cash flow plan. How much will you need to live the life you want?

“Americans’ savings rates have dropped tremendously over the years,” notes Robin. “These days, the amount people have in their savings accounts when they retire is minimal. It’s quite sad when people work all their lives but have very little to show for their efforts. Do you want to maintain the

same standard of living in retirement and do the things you enjoy? Starting sooner can mean the difference between having to save \$500 a month or \$2,000 a month for a comfortable retirement. The earlier you start the better, and the less stressful it will be for you. And to become a great saver, you need a plan.”



Robin Thompson



## Three Important Reasons to Start Planning Now

1. Less debt will mean less stress in your life.
2. The earlier you start saving, the less you’ll have to save each month.
3. If you’re married, it will strengthen your relationship.

“If you’re married, sitting down and mapping a cash flow plan together will engineer a lot of conflicts out of your relationship,” Robin explains. “Plus, you’ll have joint accountability. If one spouse is spending without the other one knowing what they’re doing, it undermines the family’s finances. If you’re supposed to be a team, you don’t want to undermine the team’s progress. Look at family finances like a small business with the goal of growing your net worth together. You’ll make better decisions as a couple – and you can share in your victories. Make time for conversations about money.”