HOW TO: LARGE TICKET PURCHASES

- Get used to spending: no big retirement purchase should be made without confidence. Get accustomed to the idea that you will start spending retirement savings. It's a concept that may be hard to get used to, especially after decades of putting money away.
- Many retirees never end up spending all of their retirement assets. Individual savings tend to rise even after retirement and financial planners often suggest that retirees are too frugal.
- You'll spend a lot of your retirement savings, that’s what it’s there for.

Leisure and Luxury
- Things you've been dreaming of
- Many leisure purchases are made early in retirement during a period called the "go-go years" when you’re more mobile and probably having the most fun.
- The integrity of your nest egg is important and you may not be enjoying support systems like Social Security yet. Big financial hits can be especially hard.

Milestone Purchases
- Keep in mind celebrations with family and friends you may have to spend money on such as weddings, birthdays and graduations. If you have kids that are soon getting married, start saving for their big day. If you have grandchildren, putting away money for their education fund is a great way to carry on your legacy.
- Know when these milestones are happening and plan ahead accordingly in terms of savings.

Emergencies and Medical Expenses
- Put money aside and insure yourself in case of any emergency.
- Have an emergency fund that can cover at least three to six months of expenses
- Look into insurance for natural disasters, long-term care insurance and life insurance.

Buying a Car - How To
- Plan ahead! Create a sinking fund that will replace a wasting asset (a car)
  - Step one: decide how often you'll be replacing your vehicle
  - Step two: decide how much you'd like to spend replacing your vehicle
  - Step three: use a depreciation value calculator to know how much your current car's trade-in value will be
  - Step four: create a new savings account for each individual large purchase you want to make and allocate a certain amount each month to go into those accounts.