



# Positively Jane - The Podcast

## Navigating Life's Financial Highway... *Together*

Episode #21 Transcript: Are You Saving for Retirement?

### JANE SHINE:

Hi there - ok, I gotta ask - do you have any idea how much money you will need to live when you retire? What I mean is...where is the money coming from? Who is going to pay you when you are no longer working?

Do you have a retirement plan at work? Have you set aside money into retirement accounts like a 401K or IRA? Do you even have any idea what those are?

Are you relying on social security? And if so, have you looked at how much social security will pay you..or not pay you?

I'm not asking these questions to get in your face - I am asking because it is so important for you to know NOW so that when you are ready to quit your job and retire you know ahead of time what is in store for you financially. Cause you gotta have money to live on, right?

I want you to have all the money you want when you are old...er like me...so let's get started!

### INTRO:

Hey there - I'm Jane Shine. As a blogger for over 4 years, I have been helping women of all ages learn how to get their money under control so that they can approach each day with confidence. Knowing that they are on track to reduce money stress and worry AND that they are on their own personal path to financial freedom and wealth. We have been navigating life's financial highway together and I can't wait for you to dive in and learn how to navigate your financial journey with us!

Today is brought to you by You Need a Budget, or YNAB for short. YNAB is the perfect money resource for those of us who don't have time to keep track of it all. It pulls all of your transactions from your bank accounts - credit, debit and checking accounts and assigns them to the categories of your choosing. Why do you even care? Because knowing is the first step to creating wealth.



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Now I have to confess - when I was younger I gave no thought to getting older. Aging was for the...well old I guess. As the years passed and I turned 20 and then 30 and then 40...I looked in the mirror and still saw me. But it was the forever young version of me.

Thinking back I now know that it really is weird that, even though I was aging, I didn't think in those terms. I don't know whether God created me that way or what - all I know is that I lived a life forever young.

A bump in pay equaled a bump in lifestyle. Very little was set aside in retirement accounts. Almost nothing was set aside in savings.

And then I turned 50. Still living as if I was forever young. Only thankfully I had an aha moment. I realized that if we didn't make financial changes - and make them fast we were destined to live a retired life that was NOT ideal. You see - I just thought we would continue to live the lifestyle that we had when we retired...but I gave no thought on how we were going to afford to do that. I gave no thought to the money.

And one thing to add here - retirement isn't an age. It's a number. You can quit your day job at the age of 40 if you have enough money to live on until you are 90 or even older.

So, I gotta ask - are you saving for retirement?

How much you need depends on you and your lifestyle, goals and dreams. Do you want to live the same lifestyle you are living now? Are you willing to live on less? Do you even know how much money your current lifestyle even costs?

Let's do the math. Pretend that you currently spend \$5,000 a month. That includes your mortgage, car payment, vacation savings, utilities, clothes, food and everything else. So you spend \$60,000 a year - which is your after tax money.

If you want to keep that same lifestyle you need at least that much money. And you need to factor in a 3% inflation rate every year.



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If you retire at age 65 and live to be 90...you need 25 years of money to live on. And  $25 \times 60$  is \$1 mm. NOT including inflation. Now, that's a lot of moolah, right?

If you are counting on Social Security - Do you have any idea what Social Security pays? I just looked it up - it's \$1782 a month on average. I am going to call it \$2000 a month for the sake of addition. Using the above \$5 thousand a month - subtracting the \$2000 - you need \$3000 a month to live your current lifestyle. If you multiply that times 12 for your yearly number and that times 25 - you need \$900,000 at a minimum in your savings/investment accounts.

That is still a lot of moolah!

Now, stop and do the math with your own money. Your own lifestyle. How much will you need?

Will you have anywhere near that amount money that you need when you are ready to retire? I am going to take a stab at your answer - I bet it is no. Am I right?

At this point you have 2 choices. Find out what Social Security will really pay you. Add that to your pension if you have one. That is what you can spend every month. Do you like that number?

When I was 50 years old I figured out that I did NOT like that number because I was destined for the poor house. I wanted to travel and live a life free of money worries. So I went to work and put a plan in place to cut back on my spending and to save and save some more.

As I was working my plan I realized that I could not save my way to a million dollars. So we found a financial advisor and he has helped us achieve my million dollar plus goal.

If you are in your 20's you can get to a million dollars by investing much less than if you are in your 40's or 50's. Why? Because the magic of compound growth sets it. Your money has longer to work for you so you can work less for



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your money. I have a great download for you called 'How to be a Millionaire'. Go on and grab it. I did the math for you.

I also have a Retirement Calculator on my website - put your numbers in and see what happens. Both are linked below.

The purpose of this podcast is for you to actually take a look at your retirement numbers before it's too late. To figure out how much you will... or won't have. And then make the changes you need so you can fund your retirement goals.

There are tons of resources on the Positively Jane website. There is also a course that is available a few times a year to help get you on track following the same tried and true path that I took to understanding money and so much more.

Know that I am here cheering you on. My passion is helping women become financially independent and wealthy. I want that for you too!

And as always, I am reminding you to learn how to manage your money so that you can save, invest, create wealth AND be the boss of your own future. If you haven't already go on and grab my FREE '3 Financial Mistakes that Most Women Make' - this worksheet will identify mistakes that you probably don't even know you are making and how you can avoid them in the future. Thanks for listening. If you like what you hear please subscribe and share with your friends. I have linked everything I talked about in the show notes. Go on and grab them. Until next time - let's continue to work together as you figure out your money and finances.

Show links:

[3 Financial Mistakes \\*Most\\* Women Make](#)

[Daily Money Tips](#)

[Retirement Calculator](#)

[You Need a Budget \(YNAB\)](#)



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