

## Retirement Planning On A Shoestring

**It's human nature:** no matter how much we earn, by the time we pay the bills, we feel we barely make ends meet. Yet, in reality, every one of us could reduce our spending just a little...almost painlessly.

Of course, it's difficult to economize on necessities like rent or mortgage payments, groceries and gasoline. But saving a few dollars here and there may be enough to make a difference. Just brown-bagging lunch four days a week could free up \$20 a week, or \$80 a month, to contribute to your retirement plan. And that can add up to a substantial sum when you have time and tax-deferral on your side.

To find those extra dollars, keep a diary that lists all the cash you spend. If you have a computer at home, you may want to buy a financial software program like Quicken or Microsoft Money to help you keep track of your expenses. You'll be surprised at the money you can find by scaling back on some luxuries and eliminating careless impulse buys.

For example, do you really need to eat lunch out every day, pick up magazines at the newsstand instead of subscribing at cheaper rates, and dry clean items you might hand wash? And there may be bigger expenses you can trim, too, like paying off or refinancing expensive credit-card debt.

You don't have to deprive yourself of all pleasures. But plan your spending to meet your most important priorities first—like putting some money away for retirement. Then, even if you can only afford to stitch together your retirement on a shoestring, you'll find the stretch was worth it.

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