

Rodger on Retirement

Not your father's retirement

Retirement planning has become a commodity. It's everywhere! TV commercials show people following green lines down sidewalks, squirrels hiding nuts in tree's, and my personal favorite, people walking around with large orange plastic numbers tucked under their arms. Newspapers and magazines parade articles and quizzes prompting you to "*answer these 7 questions correctly and you are well on your way to retirement nirvana*". Magazines catering to men's clothing, women's cosmetics, fountain pens and hunting all run retirement articles. Financial journalists write about retirement as if the entire idea was no more complicated than picking a good stock. Well, sit down and get ready to be shocked. Odds are, 8 out of 10 people you know will not be financially secure in retirement. If you think they did not read enough retirement articles in a fashion magazine, you may be wrong. These people will most likely fail at retirement because they did not take intelligent actions soon enough. They succumbed to, and landed on the dreaded island destination of *Someday I'll*.

Someday I'll open that IRA account; someday I'll sign up for that retirement plan at work. Someday I'll start saving money. Someday I'll visit with a financial planner. If any of these sound familiar, prepare to be further annoyed. Do you remember taking the SAT's in high school? You know, the test that determined if you would get into the college of your dreams? What about the LSAT for law school or the MCAT for medical school? They were the hardest, longest, nastiest, most grueling exams possible; *if you were unprepared*. Those tests were a bear. Welcome to retirement planning for the unprepared. It's a bear.

Tear out one of those quizzes the next time you find one. Examine the questions, read what they say about the most important risks to a financially secure retirement. Now, see what they say about mitigating those risks. What is their magic pill or strategy for mitigating the risk? Odds are, they gloss over the 800 -pound gorillas in the room because nobody wants to talk about them. The issues of inflation, longevity, low interest rates and healthcare/long term care costs are the biggest risks you will face during a multi decade retirement. Odds are your grand parents or parents might have made do just fine with social security and perhaps a pension. That will not be the case for you. You will most likely face a longer life span, increased medical costs and long -term inflation. If you are unsure how to invest for retirement, and are wondering around without a plan; it's time to vote yourself off the island.

Remember those Oldsmobile commercials from the 80's? This is not your fathers Oldsmobile? Guess what, this will not be your fathers retirement! I urge you to break away from *Someday I'll* and take concrete steps to insure a financially secure retirement.