

Rodger on Retirement

Solving the retirement planning equation

Question: When the day comes for you to retire, and you receive your last paycheck; what is your plan to create a lifestyle sustaining income? I guess even a better question might be; have you thought about it at all? Of all the problems you are facing, this may rank up there with some of the biggest. But if you have not spent any time thinking about it, I would venture an educated guess that the problem is not *solved*. So, I ask, how will you solve it? Will you have socked away large amounts of assets that may provide you an income? Perhaps you will consider a reverse mortgage. Maybe you will own income producing real estate, such as single -family homes. *What will you do* to create an income stream that will provide for your needs?

This is one of the more important issues my team and I focus on. It is one thing to create healthy balances in a retirement plan over a working lifetime. It is quite different to convert those assets into a stream of income that has the ability to rise over time. The important point to keep in mind is that whatever solution you pursue; it will require a lot of thought and planning. The solution will likely involve knowledge and expertise that you do not currently have. This is the time where you acknowledge that help, or coaching, would be useful for you.

Coaches, like everything else in the world come in all shapes and sizes. Some experienced, some brand new. Some are honest, ethical and hardworking, and some hang out a shingle after a failed career as a financial advisor. Forget about searching Google for financial coaching. You will be presented with 15.7 million choices in the blink of an eye. That is no better than choosing between 100 shades of blue paint for your kids' bedroom. You stand there like a deer in the headlights wondering how to narrow down your choices. How then do you begin the search for someone to assist you in your planning for the day your paycheck stops?

First, I would seek to narrow the field by interviewing candidates that possess certifications that are concentrated in the financial planning and retirement area such as: CERTIFIED FINANCIAL PLANNER™ professional, Chartered Retirement Plans Specialist, or Chartered Retirement Planning Counselor. Individuals who hold these certifications have completed comprehensive coursework focusing on financial planning, retirement planning and retirement plans. Second, Instead of searching for an individual, I highly recommend focusing your search for a team. I believe that working with a team has many benefits that a sole practitioner cannot match. It has become increasingly clear to me that the complexities of retirement analysis are beyond the capabilities of a single individual. I favor a collaborative approach used by a group working on your behalf. Third, I would focus on advisors with over 10 years of experience. These people have likely dealt with numerous families and are more likely to have a wealth of experience that a new person in the business could not hope to match. And last, be certain that the candidates you focus on have clean compliance records and all required licenses to practice in your state. You may find additional resources to assist you at Investor.gov, sec.gov and fnra.org websites.

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