

# How Do You Define Retirement?

By Mark Charnet

The Merriam-Webster Franklin Wordmaster handheld computer defines retirement as: "noun, the act or condition of secluding or of being secluded." Also given was one definition for retiring as: "to draw back from action or danger" and another as: "verb, present participle of retire: to move out of and away from where one is." Finally, the computer displayed: "to go to bed."

Working as a Retirement and Estate Planning Specialist for the last 22 years, you can understand that in my professional universe these definitions for retirement are completely off the mark. What word picture comes to mind when you think of "retirement"? Perhaps a view of the 3rd fairway at a resort golf course on a beautiful day or laying on a white sand beach in the Caribbean or sun bathing on the deck of a yacht. Maybe your idea of retirement is reading a book in your easy chair or just sitting in a gazebo at a park. Whatever your vision, it is the job of the competent Retirement Planning Specialist to provide the roadmap necessary for you to reach your specific view of retirement.

When I hear the word retirement, the vision that comes to mind is of a traveler I'll call Joe, who embarks on a journey down a freshly paved road where the

end stretches beyond the horizon. Initially, this path is littered with money squandered and discarded along the shoulder, representing opportunities wasted and education lacking in the two most important rules of financial freedom, "the time value of money" and "the magic of compound interest". Most people miss the opportunity to begin their retirement planning early in life as the cost of acquisition of a high lifestyle supercedes rational and practical thinking for most young adults. If an older and wiser friend or family member would have provided a compound interest calculator and instruction in its use, I would wager that more than half of these young adults would have understood the two aforementioned rules and radically changed their spending and buying habits in favor of investing and accumulating shares of stocks and mutual funds or shorter term interest sensitive vehicles to accumulate a down payment for their first investment property or primary residence.

Further down this path we would find examples of sacrifice, as Joe realizes the mistakes of the past and now must do without to try to catch-up, if that is even possible. Whether or not Joe does indeed catch-up will deter-

mine the quality of the pavement ahead. Along the road Joe encounters a few problems with his vehicle, resembling the distractions one encounters in life, most notably the birth of children. Children should be a wonderful addition for Joe's journey, but, have you ever taken a long journey with children? Financially speaking, children cost a lot of money. Clothing, feeding, educating and providing their own transportation can be an awesome financial burden on Joe's personal journey to financial independence and a secure financial future. I might add it is our children that make the journey worthwhile and give added purpose for the trip.

The further Joe travels the worse the road conditions get. Pot holes, sink holes, oil slicks, you name it, they all are present. Joe has many options in how to deal with these obstacles, which represent periods of unemployment, sickness, emergencies and other problems.

Now, up ahead there is a sign. As Joe gets closer he reads the word "Retirement". As fast as he approaches the sign, he passes it, but there are no exit ramps, forks or a turn around; just a sign. To me that's indicative of real life, for one day your paycheck carry's you down the road and the next day your nest-egg

takes over. This, therefore defines retirement as an event that though planned for, for many years, it actually takes place in just a micro-second.

Joe's road now is either paved with gold, representing his golden years or maybe it isn't paved at all, representing burdensome years; for himself and perhaps his children who might be responsible for his support. The end of the road is still out of view as no one has the knowledge to know when they'll reach the end of their journey.

How do you define retirement? For the Retirement Planning Specialist, regardless of your current location on the road, whether just beginning at about 21 years of age or if the "Retirement Sign" is coming into your view during your 50's or maybe it is after you have passed the sign and are in your 60's, 70's or 80's. Retirement can be defined as a process, involving professional advice and guidance, ensuring maximum utilization of one's assets and resources to travel the road in style with class and dignity until reaching the horizon!

May your path in life always be paved and smooth and equally as important, paved with good health and happiness too!

If you would like a second opinion of your personal finan-



cial road map or would like one designed specifically for you without cost or obligation, please contact me at: [mark.charnet@DFSG1.com](mailto:mark.charnet@DFSG1.com) or 1-800-929-DFSG(3374) to schedule an appointment at our Wayne, NJ office. The appointment is free and the information you will receive - priceless!

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