

Girl's Best Friend...A Retirement Plan?

By D. Alan Mercurio

Every year as Valentine's Day approaches we are bombarded by a plethora of commercials and advertisements encouraging men to buy diamonds for that special person in their lives. Diamonds are suggested to be the ultimate display of love. Diamonds are precious. Diamonds last forever. Diamonds are a physical manifestation of the permanent life-long love that a man commits to a woman when entering into marriage; hence, there is no substitute for diamonds on an engagement ring.

I am sure most of you know the song, "Diamonds are a Girl's Best Friend." No one can overstate the value and significance of diamonds. Nevertheless, in the journey of life, are there not things far more important than diamonds? Do diamonds really strengthen a marriage or love relationship? Do they really bring security or peace of mind?

In my opinion, there are things far more important than diamonds. How about that life-long commitment between a man and woman, for better or for worse, in sickness and in health? Our love is demonstrated by the things we do throughout our lives, not just by a one-time gift.

Planning for your retirement years with your loved one may not sound romantic when compared to a diamond, but it is far more important. It can make a difference as to whether or not your golden years together are going to be all that golden.

What is your vision for retirement with the love of your life? Is it taking vacations and traveling to places that you could not go when you were working? Is it spending more time with grandchildren? What about pursuing hobbies both of you always loved but never had the time? Is it a summer cottage on the lake or a winter home in Florida?

What about the unexpected? Do you want to have the ability to get proper healthcare if needed? What about knowing that your partner is well cared for financially after your passing?

I have spent my career as a financial advisor helping people create and grow wealth, preserving and protecting existing assets as much as possible, and planning for the distribution of those accumulated assets at retirement and at death. Certainly, the more wealth that can be grown and protected is a key factor in retirement preparation. The more money there is to work with the easier it is to achieve a desired retirement lifestyle. Obviously, it is best to start planning and preparing when you are young and working, when your ability to generate income is greatest; however, it is never too late to address your retirement, even if you are already retired.

Over the years, I have found many retirees stuck in the mode of thought that they need to keep growing their money in retirement to such a degree as to leave themselves at risk of losing their money due to market volatility. Many others understand that they are out of the accumulation phase, but they go to the extreme of keeping their money so safe that it sits there and is slowly

eaten away by distributions to supplement pension or social security or to cover unforeseen emergencies. In both cases, these retirees often find themselves outliving their money without the means to generate new income or wealth.

Another mistake I witness is that people often retire too young. They accumulate a sizable amount of retirement money and think they can begin their golden years a little bit early. In the end, they often end up in the same situation as the retiree scenarios I illustrated above.

Not only is the end result the same, so is the cause -- lack of retirement planning and preparation. In life your actions, or lack of actions, not only affect you individually but it also impacts those around you. If you tell the most special person in your life that you are going to be there for them as long as you both shall live, but you cannot take the time to plan on how to take care of your loved one in retirement, what do your actions really say about the sincerity of your love?

Planning and preparing for retirement is really all about creating the income stream necessary to live your desired retirement lifestyle for as long as you live. Determining how much money you will need to live your preferred lifestyle is fundamental. Once you know that, then you can look at ways to develop the required income stream. This will help you know how much money you need to accumulate and when you need to have it. This information may not always be the answer you were looking for; for instance, you may have to put retirement off for a few more years than you intended or you may need to adjust your preferred retirement lifestyle to stay within certain means. Having this foreknowledge and preparing for it will make life much better for you and your loved one in the long-run.

For all you men out there, please do something romantic for your loved one for Valentine's Day. Telling the love of your life that you are giving her a retirement plan for Valentine's Day will probably do nothing to win her over in the short-term. Nevertheless, if you have not begun planning and preparing for your retirement, please do so immediately. It is never too late. If you do not feel like doing it for you, do it for her.

If you would like a complimentary review of your investments and retirement plans and do not currently have a financial professional or if you are looking for a second opinion, please call Mercurio Wealth Advisors at (502) 253-9366. For more information about our firm or financial planning and investments, please visit our website at www.MercurioAdvisors.com or feel free to call our office.

D. Alan Mercurio
President/CEO
Mercurio Wealth Advisors
(502) 253-9366
Alan@MercurioAdvisors.com

Investment Advisory Services offered through Global Financial Private Capital, LLC, an SEC Registered Investment Advisor.