
THE AUNT I NEVER KNEW

AND WHAT SHE TAUGHT ME ABOUT RETIREMENT PLANNING

By: *Matthew J Trivett CFP® CLU® ChFC®*

I didn't have a relationship with my Great Aunt Ginny, since she moved away from the area as a young girl in the 1950s, a good thirty years before I was born. I do have memories of her from the occasional reunion. I remember how so very kind she was to me. In fact, I don't ever recall her not smiling. My mom always told me that Ginny was her favorite aunt and how every summer, as a teenager, she would take a train from Southwest Virginia to spend a couple of weeks at Ginny's home in Ohio.

Virginia ("Ginny") Gent was born in 1920 and was the oldest of nine children. Her brother Rush was my grandfather. Rush and his brothers were successful businessmen who embodied the Depression-era boot-strap generation. Come to think of it, the entire family was a very serious, straight-talking, honest, and, at times, abrasively opinionated crew -- an apparent inherited disposition that has served me well in the advice-giving business, and, if I'm truthful, proven problematic in other areas.

Ginny died last year (2018) at the age of ninety-seven – and, incidentally, was the last of the nine siblings to pass. So, as you do, Shawna and I loaded up the car with our three-year-old and made the two-hour trek to Lebanon Virginia to attend a celebration of life ceremony.

During the get-together, a slide show of old photos played, depicting various points of Ginny's life. And what a life it was! There were photos of everything from riding camels in Egypt to sailing her and Don's (Ginny's husband of sixty-four years) boat on the waters of the Atlantic Ocean.

As the pictures scrolled through, it was difficult not to feel emotion while observing a life lived well. Sprinkled in the slide show were quotes that Ginny had said during her life. Among them were things like:



"You are only as old as you think you are,"

"Do yoga every morning, wine in the evenings. Eat clean but have a stash of rum balls."

"Always carry lipstick and tissue".

But of greatest impression to me-- almost certainly because of my career choice -
- was the quote:

"Retire early enough to enjoy it. Go when you are young."

Ginny and Don retired in their fifties, moved to the Virginia coast, purchased a small inexpensive sailboat and built a modest house. Don believed that if they couldn't make it in retirement, he could always go work somewhere. But it worked out fine. They spent part of the year living on their sailboat and the remainder at home. When they weren't at sea, they were active volunteers, bridge players, and enjoyed time on the tennis court. They carried on this lifestyle for the better part of three decades!



The “*go when you're young*” quote hung in my head well after the ceremony ended. What followed was a series of questions that probed the significance of my career's worth of advice to clients. ***Why had my immutable retirement principles always been about saving for the magical age of sixty-five? Doesn't it seem strange that, at best, your life is nearly 2/3 finished by then?***

At sixty-five, your children are fully grown -- well beyond the window for childhood memory making. Your health will unlikely be better than it is today. The desire for adventure probably will be somewhat diminished.

I'm not saying that seventy-year olds don't run marathons, but let's be honest: it's certainly the exception.

Have I done my clients a disservice over these last eighteen years by not recognizing these painfully obvious truths? Shouldn't any and all advice focus on helping clients live richly instead of dying richly? Yeah, I think so. I really do. So, starting a few months ago, I began incorporating this “live richly” concept into client review meetings. But what I'm finding is somewhat of a surprise. . .

Shouldn't any and all advice focus on helping clients *live* richly instead of dying richly?

Many folks with whom I work simply have enough money to walk off in the sunset yet refuse to. But why? Clearly, some people genuinely enjoy their work and couldn't imagine leaving the thing they were born to do. I'm not worried about them. No, I'm referring to those who keep grinding, when they clearly don't have to, nor particularly want to, all the while, missing out on life. . . the sixty-eight year-old pharmacist with \$2 million in her 401k who dreads the thought of working another weekend and missing the grandkids' tee ball game, again. But when the work schedule comes out, she's there at 7am on a sunny Saturday morning.

Maybe it's fear that was birthed during the developmental years, spawned from stories of their grandparents about times when no one had a job, and families didn't have enough money to literally just eat. It's incredibly difficult to unlearn things we hear in childhood . . . especially from trusted authority figures. “Don't trust the stock market!” they were told, or “make hay while the sun shines!” Now here they are, at age 65, with **all the money they are ever going to have**, with no ongoing ability to add to it. I can see how that's fear inducing.

Or maybe it's just biology. Humans hate change. The reality of our homeostatic nature is an incurable condition that results in our kicking and screaming at the whiff of doing something different than what we did yesterday. It's one of the reasons that people stay in abusive relationships. And retirement is

definitely a break from your personal status quo. What will you do with forty free hours staring you in the face?

Who knows the real reason? I'm sure it's a combination of factors. But whatever the cause, it's real. And to the extent that I'm qualified, I'm willing to work through these mental blocks with you ad nauseam. Because you need to get to the other side of it. Otherwise, you may find yourself at the end of life with a big bucket of regrets.

The rest of this article will cover a couple of the questions that I've been chewing on. There's plenty more questions we should be asking. But I think this is a good start.

WHAT'S WRONG WITH THE IDEA OF TAKING YOUR RETIREMENT IN EARLY INSTALLMENTS?

Sitting on a beach or playing golf everyday --albeit alluring when spoken -- can't foster a sense of fulfillment, can it?

Doesn't it sound unfulfilling to sprint all-out until age sixty-five, only to enter a state of immobility, while your mind and body march unrelentingly toward stagnation or, God forbid, regression? Sitting on a beach or playing golf everyday --albeit alluring when spoken -- can't foster a sense of fulfillment, can it?

Why not work hard in sections followed by small sabbaticals designed to enjoy other pursuits. In retirement, why not work a couple of days each week to keep a sense of purpose? If you have a meaningful career, you'll probably feel pulled to do something every few days anyway. In other words, maybe "10,000 RPM or neutral" is a false choice. Maybe balance is the better plan.

Just last week, I spoke with a client who has literally worked 80-100 hours a week, every week, since she graduated medical residency . . . in 2009! How long can this be sustainable?!

I personally made the decision a long time ago that I was willing to **exchange dollars for time**. Every year our family spends five to six weeks of sprinkled-in vacation doing something and going somewhere. Sure, I could hustle to find more clients during that time in lieu of traveling, which would certainly result in more income for me. But why? I genuinely enjoy working with my established clients. Our family is financially comfortable. There's nobody, and I mean nobody, I'd rather hang out with than my wife. Who wouldn't want to spend their days with an attractive, quick-witted comedian? There's no way I'm going to forgo long weekend getaways with her and week-long beach trips with the entire family so that I can make a few more dollars and create more work for myself on a client whom I may or may not end up even liking.

INSTEAD OF LEAVING A BUNDLE OF MONEY TO OTHERS AT YOUR DEATH, WHY NOT GIVE SMALL PIECES AWAY NOW?

How fulfilling to watch your kids be able to pay off some debt so they can begin their journeys to living secure lives! Since they're going to get their inheritance one day anyway, and need the money a lot more now than when they are older, why not accelerate the inevitable endowment?

A retired client told me recently that he wants to start using his nest egg to take the grandkids on more cruises so he can “watch while the memories are being made.”

Last fall I opened an account for a lady in her forties who wants to take her niece and nephew on a huge trip for their high school graduation in ten years. We simply reversed engineered the amount she will need in order to take them to Europe in 2028, established a monthly savings commitment to make it happen, and invested the money based on the time frame. What a great gift of memories and experiences! How much impact will she have on those kids’ lives!? What a legacy! And imagine how fun it will be to break that good news to them the day of their graduation.

Or you could see the good that your church or favorite charity can do with a generous donation. A wealthy friend once told me during a round of golf, that once you reach a certain level of affluency, he’d rather give it away than spend it because “it’s a heck of a lot more fun.”



FINAL THOUGHTS

Please do not take these financial musings as license to live irresponsibly. If your bank account only has \$500, you probably shouldn’t turn in your resignation. If you are retired and living on a small fixed income, you shouldn’t be handing out early inheritances or making excessive and unscrupulous charitable gifts. And I understand that not every career is conducive to taking a six-month sabbatical. But every person reading this does have some capacity to begin living better, however limited one’s autonomy may be.

To my young clients, please carefully observe where your financial ship is aimed. Be thinking about what is lasting and permanent. And get started now. As I type this sentence, it’s the eve of my 40th birthday. And I can tell you, it has gone quick. After that magical \$75,000 income figure (see Dr. Kahneman’s 2002 study of money and happiness), the happiness factor is a sliding scale of diminishing returns. And in that light, the final quote I will share from Aunt Ginny is this: *“Don’t take life too seriously. It will be over sooner than you think.”* She was right. In the end only a few things really matter.

Cultivate a willingness to exchange dollars for time, experiences, and impact – not merely more stuff.

If you have credit card debt, pay it off. Max out your 401k. Procure life and disability insurance so your family is protected. **But if all these boxes are checked, you should begin thinking differently about money.** Because the day is coming when you can’t travel. The day is coming when your kids won’t be so eager to spend time with you. Cultivate a willingness to exchange dollars for time, experiences,

and impact – not merely more stuff. I think you’ll find this is the path to LIVING RICHLY. I know Aunt Ginny certainly did.

Sincerely,



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