

**THE FUNDAMENTAL QUESTION:
WHEN SHOULD I RETIRE?**

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Note what I didn't ask. I didn't ask "When can I retire?"

Yet that is the most common question that my financial life planning clients ask me. And, of course, I address it.

"When can I retire?" is framed around retirement resources: Social security, pensions, investments, retirement accounts, etc. All very important, of course. One can't retire (defined here as no longer gainfully employed) if one doesn't have the resources to do so.

But as I have watched my clients and friends retire, or prepare to retire, or just talk about retiring, I rarely hear the question: When SHOULD I retire?

People who have retired almost universally say that it's the best thing they ever did. People who haven't retired yet just can't wait to do so. They imagine a life of care-free leisure. They can do whatever they want all day. Or do nothing at all.

If that's what you want, we can certainly help you answer the question: When CAN I retire?

But if you're not sure that retirement is for you, let's look at some related questions.

First of all, ask yourself: What am I retiring from? Maybe you are retiring from a job you've long hated. Or from a profession that has burned you out. Or from an industry that you simply no longer want to be a part of.

But maybe you are retiring from work that brings value to others and meaning to yourself. You are retiring from being "Who's Who!" to being "Who's She?"

Retirement (again defined as not working) is unnatural. It's only in the last few seconds of human history that retirement has become a goal. But not just a goal. Rather, it has actually become an expectation. We retire at 65 (or earlier) and that's that. End of discussion. It's just the way things are.

But do we have to retire at 65? 80% of Americans over the age of 65 are not part of the work force. Do we stop giving value to others and meaning to ourselves on our 65th birthday?

OK I admit that even I am guilty of ageism. If I see an older person working, I assume that they have been foolish about money all their lives and now work because they have to.

In many cases I am probably right, such as in this video:

<https://www.usatoday.com/videos/sports/ad-meter/2018/02/04/ad-meter-2018-e-trade/110111294/>

But often I'm not. I might be looking at someone who defines retirement as something other than not working. It's likely that person is enjoying a work life balance.

And there's a dark side to retirement. Losing intellectual stimulation increases the odds of dementia, and retirement often results in short term memory loss within the first 6 months. People who retire early tend to have shorter lives. Gray divorce spikes in the first 18 months of retirement. All play and no work makes Jack a really dull boy!

OK. I know. Many of you are thinking, "Dude, forget the "should" question! I'm retiring as soon as I can. Let's go back to the "can" question."

I asked earlier: What are you retiring from? I want to pair that with this question: What are you retiring to?

Maybe you are retiring to a life on the couch with the remote in one hand and a beer in the other. (See reference to gray divorce above.) Or maybe you have a list of exotic places you have long wanted to visit. Or maybe you plan to write the Great American Novel.

Whatever your goals, make sure that you know what you are retiring to, what kind of future you are going to buy, and how you are going to pay for it.

And finally, for this piece, I defined retirement as the end of gainful employment. There are many other definitions; that one's not even my favorite! How would you define retirement?