

RETIREMENT . . . THE “GOLDEN YEARS” ???

by Rev. Thomas Soltis, Stewardship Director

A Bleak Scenario

For many Baby Boomers retirement will be anything but the “Golden Years”. Some 35% of those born between 1946 and 1954 risk being unable to maintain their pre-retirement standard of living according to a study by the Center for Retirement Research at Boston College. The scenario is worse for Generation Xers (born from 1965 to 1972) who are less likely to have traditional pensions and will have to wait longer to collect full Social Security benefits. The Employee Benefit Research Institute indicated that the retirement expectations of many are “like a piece of Swiss cheese - full of holes.”

The Problem

Many Americans have not estimated how much they will need to live comfortably once they retire. Many have accumulated only modest retirement savings. There are already some retired people who presently have to work to survive. The future seems even more gloomy. There will be many more who will have to continue to work past 65, past 70, or until their health or age won't allow them.

Addressing the Problem

Alicia Munnell, director of the Boston College Research Center says: “The answer is saving more.” Overspending, however, prevents many from properly preparing for retirement. Kevin Jacques of Baldwin Wallace College, Berea, OH, depicts the problem: “We have an economy that emphasizes consumerism.” How true! In 1990, the average credit card debt per household was \$2,966. Today it is \$9,312! One of Satan's tools to rob us of future financial security is to seduce us into immediate gratification by purchasing things we can't afford and don't really need.

Saving for the Future

Saving is must for a secure future. Expenditures must be prioritized through careful financial planning. It is better to do with less now in order to have enough later. Smart money managers know this. When companies are running in the red, they downsize in order to survive. A bag lunch to work may be the cool thing to do to supplant restaurant expenses if one is struggling to save in order to securely survive the future.

Smart Savers

Some lack the savvy to save properly to get the best returns on their money. Saved money should produce money. Many, however, do not know the ins and outs, ups and downs, of investing. Obtaining information from a trustworthy money manager may be worth the modest fee usually charged. Information about TSA's, IRA's, 401(k)'s, mutual funds, stocks, bonds, real estate, etc. will enable decisions to expand your financial status for the future.

Parable of the Talents

40% of Christ's parables deal with money and finances. Matthew 25:14-30 is one of them. The parable, of course, has spiritual implications. Nevertheless, the analogy of making money grow is there with our Lord's approval. The servant who doubled his five talents to ten was commended: “Well done, good and faithful servant.” (v. 21) So also was the one who increased his two talents to four. Azim Nakhoda, chief investment officer of Cedar Brook Financial Partners, when interviewed, said: “The rich always seem to get richer.” In the parable Jesus says: “Everyone who has will be given more.” (v. 29) Saving wisely is the way to more . . . and a secure retirement.

Financial Planning Resource

A stewardship program: “Financial Counsel from God's Word”, funded by the SELC Stewardship Department, was recently sent to pastors for congregational use.