

# THE VIRGINIA GAZETTE



## **Financial Mentor Insider Reveals the Key to Financial Freedom for Retirement in New Book**

by Community Contributor Martin Brown  
May 22, 2019, 8:00 AM

Are you nearing retirement? Do you dread the sound of the word retirement? It might be because you haven't properly planned for it. Don't worry, Jeff Poole, co-author of *Your Insiders' Guide to Retirement* has financial strategies that will help put your mind at rest. In the process of reading his book, you will learn that instead of worrying about running out of money in retirement, there is a simple solution: align yourself with the best wealth mentors who will help you collect your rewards from your working years with a strategic plan for financial freedom. One of the best books on financial freedom that I've read, *Your Insiders' Guide to Retirement* has excellent advice on the hidden challenges that individuals can face when developing long-term financial plans.

Book Link: <https://amzn.to/2M89ZEC>

It was great talking with Jeff Poole today about his new book and the need for a financial mentor ...

### **What is your book, *Your Insiders' Guide to Retirement* about?**

*Your Insiders' Guide to Retirement* tells how Wall Street is rigged, and what it takes to create a plan and win the retirement game. I have over 20 years of experience in banks and brokerage firms, and I know how the industry works. This book will give you a road map on how to find a financial mentor and lead an amazing life.

### **What can happen when a person doesn't follow the plan that their mentor lays out for them? If there any way to redeem one's misbehavior?**

A plan is not put in place until it's agreed upon by the client. After going through all of the plan scenarios and possible outcomes, there's still flexibility designed into the plan. Just like your working years, there are stages where you may spend more and other years that you may need to reduce spending. Retirement is the same. While we plan for living into our 90's, many people don't live that long. If you live longer than planned for, there should have been some earlier discussions with your planner about what steps would be taken. Having a financial mentor that knows you is just like having a good long-term doctor. You check in with them each year and make mid-course adjustments when needed to make your money last.

### **Can you tell what the Four Percent Rule of financial planning is?**

The Four Percent Rule of financial planning uses historical investment performance to determine if you'll run out of money in your lifetime. Taking into account inflation and a traditional mix of stocks, bonds and cash in your account over the long term, you should be able to take out four percent of your balance each year and not worry about running out of money. Some years your account will make more and others less, yet on average the numbers should equal out. If you have a \$1,000,000 nest egg saved up, you should be able to take out \$40,000 a year for the rest of your life. Since the Great Recession of 2007-08, there was talk that the number could be lower, near three percent. Prior to that, the industry felt that five percent was the rule. The 80's and 90's were above average return decades historically, and if you were retired then you experienced larger than average growth from the markets. For now, four percent seems to be the consensus.

### **In your book you write about the "all-weather income portfolio." Tell us about it.**

The all-weather income portfolio is a broadly diversified investment portfolio. It consists of multiple styles and sectors of the markets. The portfolio has U.S. and international stocks, bonds and cash. There are large companies, mid-sized, and small companies in the portfolio. It may also have a small portion of the money invested in real estate, and gold. The ideal portfolio would be 60% stocks and 40% in bonds

and cash. It's designed for consistent returns, not huge swings high or low. An investor should also have an emergency fund with one to two years of cash available to use during longer market downturns. That way you can keep your portfolio invested and replenish your cash during higher return years. This creates a total return portfolio that can take care of your nest egg in all types of economic cycles, bear markets and global volatility.

**What are three insiders' tips that you can tell our readers about financial planning**

There are tips to stay on track with your financial plan and investments. The first would be to create a budget. No one likes this word, yet you have to know what your spending and how much you can save. Next, you need to dollar cost average into the market starting at a younger age. This means investing in the stock market every month, year after year, for many years. This strategy of buying at different prices each month as the market goes up and down gives you an average price over the year. No one knows the low or the high, so don't try and time the market. Just get started. It can be a small amount and it will grow much larger than you think over 20 to 30 years. Finally, consider paying off debt as much as possible by retirement. Even if rates are low, the less debt you have to service when retired, the more money you'll have for the fun things in life. Many people can retire earlier or on less money if they have no debt. Having a financial mentor to work with and help you figure these strategies out will bring you closer to financial freedom

**Now for something completely different, if you could do anything you wanted after retirement what would you do?**

My wife and I plan on taking some trips that are open ended. Meaning, we have a one- way ticket to Europe and let our adventure take its own course over a month or two. Besides the usual cites and countries that we all know of, there are places that you just would not see or experience otherwise. We would also like to fly around the world and experience other cultures all over the globe. When not traveling, we will be with our three kids and sharing in their experiences. Maybe we'll park a small motorhome in their driveway, until they make us leave! My wife and I also love to be by the water. The ocean, lakes and rivers help calm our busy lives. It's possible you might find us on a small lake in the Pacific Northwest, sitting at the end of a dock, sipping on a drink and reading a good book, dangling our feet in the water. It will be an amazing chapter in our life. Cheers!