



# Putting Money in the Context of Life™

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## DESIGNING YOUR “NO RULES” RETIREMENT

Our concept of retirement is undergoing a metamorphosis. Demographic, societal, and workplace trends have all converged to offer a stage of life—at mid-life and beyond—that is much more fluid and flexible than we previously thought possible. When planning for retirement, we are discovering that the “old rules” have been thrown out and that “no rules” apply.

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In other words, our retirement experience has become a matter of personal definition! Because of increasing longevity and more active lifestyles, many individuals are viewing this time in life as an opportunity to explore their potential. Instead of “not working,” retirement has come

to mean emancipation, the freedom to choose the activities and pursuits they find the most satisfying and rewarding.

For example, many of those who embrace the “no rules” concept will actually experience multiple “retirements”—moving from one endeavor to another in the second half of life. Some will choose career sabbaticals to pursue new learning, personal renewal, and/or volunteer service. Others will stay within their career paths, but find renewed enthusiasm by taking on new assignments or by adopting a new work life option such as part-time, free-agency, or telecommuting.

As you think about your life in the future, your skills, interests, values, and preferences should be given thoughtful consideration. These items should be considered your assets—a set of characteristics that define who you are as an individual and influence the life choices you make. Combining the information of “who I am” and “what I want” will help you to form your unique definition

of “quality of life” now and in the future.

Most importantly, designing your “no rules” retirement is all about identifying, pursuing, and living in sync with your personal values and priorities. In fact, the greater your understanding of what is important to **you**, the easier it will be to “paint a picture” in your mind of what you are working toward.

Do you have a clear vision of what you want to do in your retirement years? The more you know about what you really want to experience, the more successful your transition will be. 🌿

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## THE NEW RETIREMENT INCOME STOOL

When it comes to preparing for retirement, the old rules about money have been thrown out. Baby Boomers and adults of all ages need a new framework to guide and motivate their preparation for long-term financial independence.

In the past, the goal of traditional retirement planning has been to build a retirement “nest egg” of personal savings and investments to supplement a company pension and Social Security. Together, these three sources of retirement income have long been referred to as the proverbial “three legged stool”—a solid, well balanced foundation for financial security in old age.


However, new financial realities are causing us to look for new retirement planning models. The concept of the three-legged retirement income stool is outdated and inadequate.

Social Security benefits are less generous than they once were and the solvency of future benefits is in question. Employers are also reducing pension benefits and/or switching to plans where they are no longer responsible for investment performance or a guaranteed benefit amount. In addition, increasing longevity and rising health care costs will dramatically increase retirement income needs.

Therefore, the old retirement income stool has gotten very wobbly! Two legs of the retirement income stool are shorter, and more “weight” (responsibility) has shifted to the third leg of personal savings and investments. And, this leg is coming up short as well!

On the horizon is a new retirement income model—one that will include a transitional period from full-time employment to full-time retirement. With this model, many individuals will either be (1) older at full retirement, (2) have part-time or part-year jobs, (3) move into second

careers, or (4) gradually phase out of their current positions rather than make an abrupt departure. With any of these four transitional scenarios, income and benefits from post-retirement work will become a fourth leg on the traditionally three-legged retirement income stool.

In addition to income, post-retirement work also provides benefits that most Baby Boomers find liberating and compelling. That is because they view retirement not as a respite from work, but as an opportunity to explore new arenas, stretch their comfort zones, and find unique ways to contribute to their families and communities. 

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## REVIEW YOUR MONEY HISTORY

For many of us, managing our finances and building economic security is a nagging concern. We know we should be making greater strides in taking control of our money matters, but nothing changes. What keeps us from achieving the financial peace and satisfaction we desire?

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One of the main obstacles to financial freedom is listening to the wrong money messages. Our attitudes and beliefs about money have their roots in the value-laden messages we have picked up along life's journey. These money messages are not only clothed in the words of others, but in their behaviors as well.


However, these revelations are not intended to give you the opportunity to place blame, but rather to help you recognize potential obstacles to your financial well-being. Remember, awareness is the first step to change!

Therefore, it is important to look for clues in your past that will help you to understand your current financial life. The following questions will guide you in this reflection process:

1. Starting with your childhood, what experiences have shaped your underlying beliefs and attitudes about money?
2. What do your patterns of earning, saving, investing, and giving say about you?
3. What were you taught about money when you were growing up?

4. In your family, was money an issue, a source of conflict, a reward, or a tool for achieving goals?
5. When did you first start spending money? How did that make you feel?
6. In your past, has money been a source of conflict in your important relationships?
7. As an adult, what has been the most important lesson you have learned about money?
8. What money habits have been obstacles to reaching your life goals?
9. What money habits have brought you closer to your life goals?

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In summary, to discover the roots of your money attitudes and actions (or inaction!), look first to your childhood experiences. A review of your money history will give you tremendous insight into the money messages that consciously and unconsciously influence how you deal with money on a day to day basis. 



## PURPOSEFUL AGING


Life expectancy has increased dramatically since the turn of the 20<sup>th</sup> century. Our challenge is to make the most of our bonus years—not only to live longer, but to live better as well.

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Numerous studies have documented the fact that involvement in productive activities contributes to the health and well-being of older adults. However, some are reluctant to set new goals or take on new challenges because they lack confidence in certain areas.

In addition, many individuals believe their health and happiness depends on someone else—they wait for another person (perhaps a spouse, a son or daughter, or a friend) to initiate the positive actions. An important mantra for anyone is “if it is to be, it is up to me.” Always remember that self-reliance is essential to purposeful aging.

Traditional concepts about retirement view this stage of life as a time of well-earned rest and relaxation. Although leisure is necessary to refresh the body, mind, and spirit, too much leisure can lead to indifference and lethargy. Goals, new challenges, and productive activities are essential to a life of meaning and purpose.

Therefore, it is important to acknowledge the self-responsibility aspects of your current and future well-being. Make it a priority to invest in yourself physically, mentally, and socially. The choices you make on a daily basis are cumulative and will determine the quality of life you experience many years in the future. 

## LATER LIFE POTENTIAL

*“People do not grow old. When they cease to grow, they become old.”*

Ralph Waldo Emerson

*“It is never too late to pursue the work that speaks to us from inside ourselves. Let’s look at that idea the other way around as well. We are called to recognize our strengths, and it is never too late to hear that call.”*

Deborah P. Block & Lee J. Richmond  
*Soul Work: Finding the Work You Love,  
Loving the Work You Have*

*“You’ll never be happy just amusing yourself...Even in retirement, even when you’re only looking to get off the fast track and ‘smell the roses,’ you should be pushing past what you merely enjoy into what has real meaning to you.”*

Barbara Sher  
*I Could Do Anything  
If I Just Knew What It Was*

*“Retirement is something you should spend your lifetime building.”*

Michael Stein  
*The Prosperous Retirement*

*“We are in a new frontier of how to live and work creatively until the last day we live.”*

Helen Harkness  
*Don’t Stop the Career Clock*