

# financial LIFE Planning

## TEACHING KIDS \$\$ SURVIVAL SKILLS

FINANCIAL FOCUS, LLC

In 1988, financial planner and author Venita Van Caspel wrote in her best selling book *Financial Dynamics for the 1990s*:

*“Our educational system continues to send forth our young with so little information about financial matters that they are like time bombs about to destroy their own and their families’ economic futures. We equip them to earn good incomes and to live the good life, but we fail miserably as a nation to prepare them to know what to do with the money they earn.”*

Now, nearly two decades later, the implications of Van Caspel’s sobering commentary on modern society is growing more serious everyday. With the level of consumer debt skyrocketing and the cost of housing, education, and health care increasing at double digit rates, younger generations are facing unprecedented challenges to achieving financial security.

Therefore, helping our youth to learn effective money management skills and adopt good financial habits and attitudes is more important than ever.

So what can you do if you are worried about the financial future of your children and grandchildren? First of all, examine your money beliefs and

behaviors and then take action to get your own financial life in order. Nothing is more effective in guiding the younger generation than providing a powerful role model.

Next, stay alert for teachable moments to share your financial expertise and

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wisdom. Very few topics affect us on a day-to-day basis like money, so there are endless opportunities to provide mini financial lessons via word and example.

In addition, seek out resources to guide you in your mission. One good source is [www.choosetosave.org](http://www.choosetosave.org) where you can find a number of great suggestions for teaching money concepts and skills to kids in specific age brackets. Also, check out two books on this topic: *Silver Spoon Kids: How Successful Parents Raise Responsible Children* by Jon Gallo and *Make Your Kid a Millionaire* by Kevin McKinley.

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## COUNTING YOUR RETIREMENT “ASSETS”

A successful retirement experience takes more than money. As you plan for your life in retirement, your current skills, interests, values, and preferences should be given thoughtful consideration. These characteristics will be the personal assets that you take with you into retirement to make it a successful and satisfying chapter of your life.

### **Skills—**

Think of your skills as a portfolio of abilities that you can build on throughout your lifetime. Here are several examples: ability to communicate effectively, ability to solve problems in creative ways, ability to visualize interior or landscape designs, ability to understand and work well with animals, ability to be an empathetic listener, ability to repair almost anything mechanical, ability to be an inspirational leader, and so on.

Your skills can be very diverse, but represent the strengths that you can draw on for creating your own personal success and for contributing to the well-being of your family, workplace, and community. In addition, skills represent abilities for which you have a natural aptitude or have developed through training and experience.

### **Interests—**

Interests are subjects or activities that draw or attract you. The range of possible interests is limitless and as unique as the individuals who possess them: art, politics, gardening, fishing, social service, spirituality, astronomy, photography, collecting, hiking, jazz, travel, computers,

entrepreneurship, wood working, investing, sailing, writing, etc.

These examples represent broad categories of interests, but within each category are endless possibilities of specific and focused interests. Some of us are generalists and some of us are specialists. For example, one person may have an avid interest in the broad topic of history, while another person may focus more specifically on the history of the American Civil War. Your interests are what you really enjoy and find intriguing.

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## COUNTING YOUR RETIREMENT “ASSETS”

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### Values—

Values are principles or standards we consider important or desirable. When describing values, we often think in terms of attributes such as “honesty,” “loyalty,” or “altruism.” We also tend to think of values in terms of what we hold most dear to us such as “my family,” “my faith,” or “my health.” However, values are also those intangibles that keep us motivated. Motivators vary from person to person, but examples include wealth, recognition, achievement, knowledge, creativity, challenge, adventure, harmony, and independence. Our values are what subconsciously and consciously guide the choices we make.

### Preferences—

Many individuals begin to recognize patterns as they identify their skills, interests, and values. These patterns can be described as preferences—that which a person is inclined to, is most comfortable with, or most likely to choose. Preferences can usually be divided into four categories: People, Data, Things, and Ideas. This system is adapted from the work of John Holland:

- **People**—Helping, serving, care taking, selling, teaching, counseling, managing, advising, or in other ways working with and being around people.
- **Data**—Researching, budgeting, forecasting, editing, computing, analyzing, balancing, or in other ways working with data.
- **Things**—Constructing, building, planting, operating, assembling, maintaining, repairing, drafting, or in other ways working with “things” such as plants, machines, equipment, or mediums for arts and crafts.

- **Ideas**—Creating, theorizing, inventing, exploring, planning, questioning, designing, problem solving, or in other ways working with ideas and innovations.

Exploring your retirement potential is actually a process of self-assessment that requires introspection and analysis. In addition, this process will help to strengthen your identity apart from the world of work. In the book *Comfort Zones*, authors Elwood Chapman and Marion Haynes wrote:

*“What you do for a living is often the topic of casual conversations. Facing your identity, beyond your career, will be one of the major challenges you face in retirement. How will you answer the question, ‘What do you do?’ after you retire?”*

Dr. Phyllis Moen, director of the Cornell Retirement and Well-Being Study believes that “I’m retired” is really a non-answer when replying to the “what do you do?” question. Instead, she recommends that each retiree should respond with a description of his or her meaningful and productive activities.

Because of increasing longevity and healthier and more active retirement lifestyles, many individuals are viewing retirement as an opportunity to switch careers, start a business, return to school, or get involved in a good cause. Others use retirement to return to a favorite activity or pursuit they felt they had to set aside many years ago.

In summary, taking stock of and evaluating your skills, interests, values, and preferences will form a solid foundation for planning your future. Combining the information of “who I am” with “what I want” will help you to form your own unique definition and vision of a rewarding and fulfilling life in retirement.

SELF-DISCOVERY

## LIFE LONG LEARNING

In *The Three Boxes of Life: And How to Get Out of Them*, author Richard Bolles laments that the task of “getting an education” has traditionally been assigned to our youth. Then, in our adult years, we tend to engage in educational pursuits only as a means to staying competitive in the working world. Lastly, in old age, our time is predominately devoted to leisure and only a small portion is allocated to learning.

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Ellen Hoffman

However, Business Week reporter Ellen Hoffman recently noted that our concepts about education are changing and adults of all ages are returning to school for the sheer joy of learning. She wrote:

*“Experts in education and gerontology say that as baby boomers age and approach retirement, the number of retired Americans who are spending time—or planning to—on educational pursuits is growing fast. The trend is driven by such factors as increased longevity, people enjoying more years of good health, and a growing realization by many that a retirement into passivity is not only boring, but can lead to atrophy of both mind and body.”*

Likewise, Dorothy Billington, author of *Life is an Attitude: How to Grow Forever Better*, wrote:

*“With our ever-accelerating speed of change in both knowledge and technology, it is clear that we adults have a choice: We either continue to learn throughout our lives, or we allow our skills and knowledge to quickly slide into obsolescence.”*

One of the strongest indicators of this commitment to life long learning is the trend of retirees choosing to relocate to college towns rather than the sun belt. Demographers are taking note and developers are responding by building a variety of retirement housing options near campuses.

But learning is not limited to the confines of classroom perimeters. A bevy of organizations have been created to cater to the eclectic interests and sense of

adventure of today's over 50 crowd. For example, Elderhostel ([www.elderhostel.org](http://www.elderhostel.org)) offers 7000 learning opportunities in the U.S. and Canada and in 90 countries abroad. “Unlike tour companies, Elderhostel offers in-depth and behind-the-scenes learning experiences for almost every interest and ability.”

In addition, many older adults are learning by doing and striving to “make a difference” as well. Cross-Cultural Solutions ([www.volunteervacation.org](http://www.volunteervacation.org)) offers a number of such opportunities: “The purpose of worldwide volunteering is foremost to serve, and thereby, to learn first-hand about the host community and its people.”

RETIREMENT OPPORTUNITIES