

# DOLLARS & SENSE

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## Make the most of your Retirement—Time Management

Free time can be one of the greatest benefits of retirement. Spend and use your time wisely now to plan retirement costs. Some people may want to take a long cruise to the Bahamas but can't afford it. Retirement planning isn't necessarily about having a lot of money; it's about making sure your plans and goals are enriching—but won't require all your savings!

There are as many different kinds of interests as people. Here are six areas you may want to learn about or expand on to enhance your life in retirement.

Six Suggestions...

### 1) Crafts and Hobbies

Crafts and hobbies cultivate our creative instincts. Working with crafts or hobbies often allows us to be involved on a creative project from start to finish. We can work on them alone or in groups. Creative activities may include: painting, sculpting, photography, carpentry, ceramics, quilting, scrap book-

ing and more. You may want to create purely for recreation or market your work. Other popular activities include reading, collecting, cooking, music, theater, gardening, writing, gathering family histories—to name a few. Many people find creative activity very uplifting before and after retiring.

### 2) Continue Your Education

Learning is a life-long experience. New knowledge not only adds to your enrichment, but it allows you to understand an endless variety of ideas, interests, skills, events, and places. Many people haven't had the opportunity to complete as much education as they would have liked. Retirement offers a wonderful opportunity to expand your knowledge and interests.

Adults are returning to the classroom in record numbers. Mature students are welcomed and encouraged in a variety of settings: at public schools, colleges, universities, trade schools,

libraries, museums, televised and internet classes, and various community centers. Educators love the diversity and added experience older students bring to the classroom.

### 3) Travel

There are so many great places to see on this planet! Travel can be short or long, near or far—it doesn't matter—traveling brings great experiences. It takes you out of your normal surroundings and lets you interact with other people, places, and things. Travel can expand your interests. It's even more enjoyable when combined with writing, photography, or historical research.

Seniors can often purchase discount travel packages. Group tours are good for those who prefer not to travel alone, and a fun way to meet new people or spend time with your family and friends.

### 4) Reflection

Take the time to ponder your life while enjoying nature like watching the sunrise. There's something spiritual in silence and contemplation. Life can be placed in perspective when you use your freedom to appreciate it and stop to "smell the roses."

It's important to keep growing personally, emotionally, and spiritually. Your retirement plans can include establishing the time and opportunity for contemplation.

### 5) Sports

You've learned about the benefits of health and fitness. Participating in various sports and athletic activities during retirement may be a great source of self-fulfillment.

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# Work Options During Retirement

There are many options to use during retirement to fulfill your need for activity, making a contribution, or earning money. You may want to continue working at your life-long occupation after retirement age—and maybe reduce your hours. Or you may decide to re-enter the workforce after being retired for a while.

Many people use retirement as a time to launch a business of their own. There are many choices available to you, maybe even more than you realize. For most retirees, the question of work is probably best answered by working part-time, whether at their former job or a new one. Here are some possibilities:

- Part-time—Work when it's more convenient.
- Flextime—Arrange your schedule to suit your needs.
- Seasonal—Just work seasonally, for your needs or the seasonal job.
- Phased retirement—Withdraw gradually from your current employment or the workforce.
- Job Sharing—2 people split hours, responsibilities, and benefits of one full-time job. You get flexibility and the employer gets twice the experience.
- Temporary—Work through a Temp Agency to provide immediate but temporary help. It allows you to develop skills and contacts for future jobs.

## Getting Full Or Part-time Work During Retirement

As you retire from your job, one of the key decisions you make may be whether or not you want to continue working, either full or part-time. Once you try something, you can always change your mind.

Harry was pretty nervous the night before his first interview since his re-

tirement. “Harry, you’d be perfect as a part-time creative writer,” Melissa said. At 60 years old, retired from a career in construction management, Harry was looking for part-time work.

He realized he had no reason to be nervous. He’d prepared well for his retirement, and he and his wife could live comfortably for the rest of their lives. But Harry always loved to write, and thought this writing job might be fun, and a source of extra income.

He was confident and relaxed during the interview, and convinced the company he would be a great asset. After all, he had a lifetime of experience to draw on; it was a “win-win” situation.

## What Do You Have to Offer?

As part of your planning for retirement, it's a good idea to take a look at yourself and review what you do have to offer. You may have to sell a prospective employer on the idea that retirees are healthier, more active, and have a longer life expectancy than ever before.

## Take Your Life in Your Own Hands

Once you've made the decision to work during your retirement, you need to approach that work as skillfully as possible. An employment agency or community service group can also be helpful, but much of what you'll accomplish will come from your own efforts and creativity. The following suggestions will give you an outline of steps you could take to accomplish the task:

**Size Yourself Up**—Look at yourself honestly. What are your strong points, weak areas, assets, and liabilities? If you were the employer considering a retiree as a prospective employee, what would you see?

**Define Your Goals**—You've learned the value of goal setting in earlier workbooks. The Cheshire Cat told Alice in *Through the Looking Glass*, “If

you don't know where you're going, it doesn't matter how you get there.”

**Size Up the Job Market**—Take a good look and evaluate the job market you're interested in. Talk to former co-workers, supervisors, and employers. Establish connections through relatives, acquaintances, and friends. Use the resources of religious, community, and service organizations. Read professional and trade publications. Consult the Chamber of Commerce and the business section of the newspaper.

## Network and Market Yourself

Often the best jobs are found through word of mouth. As you make new friends you can share contacts and opportunities with them.

There are two important parts of the interview process. First, you must get an interview and rehearse interviewing with a friend or family member. Prepare yourself by doing some research about the company and their products. Next comes the job of marketing yourself. Your goal is to make your valuable qualities clear to your potential employer.

Think about your answers, body language, and overall appearance. Display an energetic, interested image and personality. Give the potential employer every reason to want to hire you: be on time, speak clearly, listen closely, and use good eye contact. Be sure to send a thank you note following the interview and state your interest in the position, and why you think you would be a good fit.

## Closing the Deal Effectively

When the job offers roll in, be prepared to close the deal. Be prepared to suggest a pay range. This is your chance to tell them what you're worth. This means preparing to convince them you're worth the upper end of the pay range because of your skills, reliability, and experience.

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# Prepare your living arrangements

## Lifestyle and Housing

Think about what's important to you? Are you a social person? Do you live alone? Do you see yourself having big dinner parties, or Sunday picnics for the grandkids? What about caring for a big yard, or would you prefer living in a condo? Will your mortgage be paid off, and will you be able to afford the taxes, insurance, and maintenance?

You need to think about where you want to live during retirement, because this will affect your plans. How important will employment, educational, social, medical, and recreational opportunities be to you? For instance, during retirement it may be important to have medical facilities close at hand, as well as public transportation, shopping, and possibly family support nearby. Obviously, there are many things you need to consider when it comes to your housing and retirement.

## Your Home is An Asset

If you own your home, you probably have some equity built up in it. Equity is your home's cash value minus any claims against it. If you choose to access this money, you need to decide

on one of several equity conversion options:

- **Reverse Mortgage.** When your home is completely paid off, or when sufficient equity is present, the equity may be paid back to the owner in monthly payments. This is a loan, and the terms vary depending on interest rates, the amount you're borrowing against, and length of the loan. There are several ways to repay it, like when you sell it, or with life insurance when the homeowner dies.
- **Sale or Leaseback.** Also called "life tenancy arrangements." This is when the owner sells the property to an investor, retaining the right to live in the house as a renter. The investor pays the owner in monthly installments over an agreed-upon period and covers such obligations as home insurance, taxes, and repairs.
- **Deferred Payment Loan.** Such loans are usually provided to low-income people at a low interest rate by a local government. Homeowners defer payment of principal and interest until they die or the house is sold.

- **Homeowner Equity Accounts.**

These loans allow you to borrow against a portion of the equity. This lets the owner set up a line of credit secured by a lien against the home. The owner can draw on this credit using a credit card or by writing a check.

The major drawback to using your home as collateral for a loan is you open the possibility of losing your home. Good legal, tax, and financial advice is very important, so consult with a qualified financial advisor before making a move to sell property after your retirement.

## What If You Want to Move?

If you decide you want to move, review your options the same way you examined your lifestyle. Some of the options available are:

1. Single-Family Home
2. Home within Adult or Retirement Community
3. Manufactured or Mobile Home
4. Condominium
5. Cooperative or shared Home or Apartment
6. Rent a Home, Apartment, or Condo
7. Lifetime Care Housing with room and board, recreation, and medical care.

## Do Your Homework First

Consider all the aspects of housing and location before you move. Consult with experts and neighbors under similar circumstances. Spend a little time researching so you won't regret an uneducated decision. If married, you need to discuss plans for retirement housing, location, and lifestyle with your spouse. Two people may have differing ideas about where and how they want to live. A strong relationship includes compromise to meet both your needs.

## Accessing your home equity during retirement

There is a lot of information online about the best ways to access the equity in your home during retirement. Each option has a number of benefits and risks especially if you move early or must go to an assisted care facility. You should understand all of the pros and cons of each option before you sign any paperwork. As in any financial deal, there are always some risks involved.

Visit [www.reverse.org](http://www.reverse.org) or [www.aarp.org](http://www.aarp.org) for information, calculators and good questions to ask yourself as you do your homework.

# Make the most of your Retirement

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This can include coaching sports and sharing your knowledge and skills with younger people. There is a huge variety of sports to join, like group walking, hiking clubs, aerobics, aqua-aerobics, golf, tennis, bowling, swimming, and ballroom dancing are just a few excellent examples.

## 6) Volunteering

Volunteering in your community may help you make the adjustment from your busy work schedule to your newfound freedom in retirement. Many communities have volunteer centers, and with a little research, you can find a variety of opportunities to volunteer. Many wonderful programs rely heavily on volun-

teers: hospitals, public schools, museums, libraries, charities, etc.

Expand on your current interests or explore new ones. Consider your experience and ways to apply it to the needs of your community. You can make an invaluable contribution even in only a few hours a day or week.

Volunteering is mutually beneficial. You contribute your talent and skills, and continue to grow as a person—while others benefit from your efforts too.

The increased freedom retirement offers may give you an opportunity to realize your life-long dreams. The way you use your time will greatly affect your state of mind and contentment.

Plan now so you can optimize your retirement experience and make it the most fulfilling time of your life.

Below are the six areas you've considered in enhancing your leisure time in retirement. Now consider your level of interest or importance in each area and note them in order, 1 being greatest interest to 6 being lowest.

- \_\_\_ Crafts and Hobbies
- \_\_\_ Continue Your Education
- \_\_\_ Travel
- \_\_\_ Reflection
- \_\_\_ Sports
- \_\_\_ Volunteering

No one wants to spend all his time in leisure. So let's consider how you may want to spend your non-leisure time in retirement. ■

## Work Options During Retirement

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### Start Your Own Business

The variety of business options are endless, however, running your own business involves a lot of work. Instead of jumping into a tough situation, consider the following:

- Do you have a good idea for a business? Does it fill a need in the marketplace and have a good chance of making money?
- Are you healthy enough to meet the considerable demands of running a business—even a small business?
- Starting a business can be very challenging in the first few years. Can you handle it?
- Often, it can take three to five years to move a business from start-up to

profit. Do you have enough resources or financial support?

- Do you have enough business skills: bookkeeping, sales, inventory control, management, etc.? Would you do it alone, or will you need to hire employees?

If you decide to start your own business, there are some key things you should do:

- Develop a good business plan. Without one, you won't know where you want to go with your business or how you're going to get there.
- Conduct research on your business idea. Research the marketplace, marketing strategies, finance strategies, and so on.

- Get good legal, tax, financial, and insurance advice. Successful business people depend on professionals to advise or handle these kinds of concerns.

With enough determination you can truly do anything! Still, it's healthy to take the time to write things down, make a business plan and be sure you're fully prepared. ■



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