

Retirement *in Sight*

MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES
PRESENTED BY SCOTT E. HOLSTEIN, CPA, PFS, CFP® - MARCH 2019

QUOTE OF THE MONTH

"You must do the things you think you cannot do."

ELEANOR ROOSEVELT

DEALING WITH A "SURPRISE" RETIREMENT

For years, you have imagined the way your "second act" will unfold: when it will start, what you will do, and where you will be. Then life hands you a wild card. You are forced to retire years earlier than you planned and with little notice. How do you adjust?

This turn of events is not uncommon. The respected Center for Retirement Research at Boston College finds that 37% of Americans retire earlier than they anticipated. The big dilemma is that you find yourself potentially having to fund a few more years of retirement with a few years less of accumulated retirement savings. There are ways to respond to that challenge. Many new retirees work a little, and you might be able to find part-time or lower-paying employment, possibly with health care benefits. While not the work you once did, it can help you refrain from tapping your savings too soon. You may want to reconsider when to claim Social Security benefits. You might not want to make big consumer purchases or embark on major vacations until you are confident you can justify them, financially. You may definitely need to run the numbers again, as variables affecting your potential retirement income have changed. This circumstance could call for significant financial adjustments – and a fresh look at where you stand now in relation to your retirement savings and income objectives.¹



RECIPE

Southern Buttermilk Biscuits

[serves 9]

Ingredients

2 cups Southern all-purpose flour (White Lily or other brand), plus more for kneading

1 Tbsp. baking powder

1 tsp. fine sea salt

$\frac{1}{4}$ cup cold unsalted butter, cut into small pieces and chilled

$\frac{3}{4}$ to 1 cup buttermilk

Step 1

Begin by preheating your oven to 500°F. Use a rimmed baking sheet with a non-stick silicone baking sheet, lining the pan.

Step 2

Combine the flour, baking powder, and salt in a large bowl. Cut the butter into the dry mixture using two knives or a pastry cutter. Once the contents in the bowl resemble coarse meal, pour in the buttermilk and mix until it is just combined. You do not want to overwork it.

Step 3

Begin by lightly kneading the dough on a sparsely floured surface. Keep turning the dough; do this about 8 times. Avoid kneading for too long, or you will overwork the dough. Lightly flour a rolling pin, then roll the dough to $\frac{1}{2}$ -inch thick. Cut the biscuits with a $2\frac{1}{4}$ -inch round cutter dipped in flour. Be sure to press the biscuit cutter straight down (avoid twisting it). This way, the biscuits will rise evenly while baking.

Step 4

Arrange the biscuits on the baking sheet and bake for 8 to 10 minutes. Look for a golden-brown color. Cool on a rack and serve the biscuits warm with plenty of butter and honey.

Recipe adapted from southernkitchen.com/recipes/breakfast-brunch/virginia-willis-buttermilk-biscuits.

COULD WORKING A LITTLE AFTER 70 BECOME ROUTINE?

Some baby boomers and Gen Xers hope that they can work into their seventies. Is that hope unfounded? It may not be. Consider the nation's shifting generational demographics, and how they may reshape the workforce.

In 2035, Americans older than 65 will outnumber Americans younger than 18 for the first time, and by the mid-2030s, the percentage of physically demanding jobs may be lower than it is now. Jobs in information and service technologies could predominate – an ideal environment for highly educated adults who see no reason to stop being productive. Many of these seniors will be aware that the longer you can put off claiming Social Security in your sixties, the larger the monthly benefits are expected to be – currently, they are projected to be as much as 75% larger when claimed at the latest possible age of 70 versus age 62. Evidence suggests that the population of employed Americans is already skewing older. As a *Forbes* article notes, the percentage of working men aged 65-69 increased 10% from 1995 to 2016; for women aged 65-69, the increase was 12%. Once again, baby boomers could defy expectations.²



DID YOU KNOW?

The westernmost U.S. state is also the easternmost

Alaska holds this distinction thanks to the geographic position of the Aleutian Islands. Part of the Aleutians are on one side of the 180° line of longitude, denoting the eastern hemisphere from the western hemisphere, and part of them are on the other side.³

ON THE BRIGHT SIDE

According to the TransAmerica Center for Retirement Studies, 76% of U.S. retirees own homes. Just 28% of these homeowners have outstanding mortgages, and the median balance of those home loans is about \$52,000.⁴



BRAIN TEASER

What do the following six words have in common: fast, away, water, through, down, neck?

STUMPED? CALL 800.458.9330 FOR THE ANSWER!

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CITATIONS.

- 1 - fool.com/retirement/2019/03/04/what-to-do-if-youre-forced-to-retire-before-youre.aspx [3/4/19]
- 2 - forbes.com/sites/kerryhannon/2019/03/04/reimagining-retirement-with-purpose-and-a-paycheck [3/4/19]
- 3 - worldatlas.com/aatlas/infopage/nsewusa.htm [3/4/19]
- 4 - foxbusiness.com/personal-finance/how-to-successfully-navigate-financially-in-retirement [3/1/19]