

# PERSPECTIVES

F A L L 2 0 1 9 E D I T I O N

## DOWNSIZING BEFORE RETIREMENT

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## PREPARING FOR EXTENDED CARE

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### **THE FINE** Art of Hygge

*A Bountiful Harvest:  
Cooking in Autumn*



**PPG WEALTH**  
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# FALL WELCOME

Dear Client,

Warm and cheerful greetings! As we welcome the autumn season, we find ourselves wanting to trade in our sandals for boots, our iced coffees for steaming mugs of cider, and our sunny beaches for brightly colored landscapes and leaf-lined avenues.

In this Fall 2019 issue, we are bringing you some wonderful ways to celebrate the cooler season. If you've never explored the concept of "hygge," now is the perfect time to look into incorporating this popular Scandinavian tradition into your life. We'll talk about how creating a cozy home environment can increase your enjoyment of the cooler months to come. In the following pages, you'll also find some fantastic, fall-focused recipes that will help you make the most of the season's bountiful ingredients.

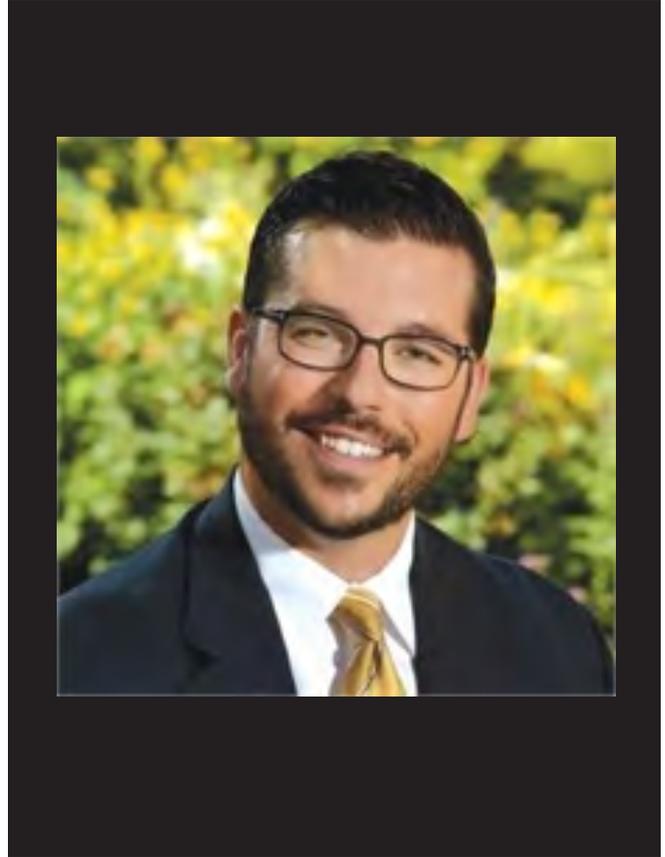
Fall is a great time to review your retirement plans, which may include downsizing in the years ahead. As the trees shed their leaves, they teach us the importance of managing anything that's no longer helping us pursue our current goals. We'll also be discussing the ins and outs of extended care. It's a topic that's not always fun to think about, but we are here to help you prepare for the later seasons of your life. As you'll see, some thoughtful preparation can go a long way toward alleviating any aging-related fears that may be lingering.

We hope you enjoy what you read here, and we wish you an autumn full of warmth, beauty, and all the finest flavors this special time of year has to offer. Thank you for letting Premier Planning Group be part of your life, through every changing season.

Warm Regards,

*Stephen Holt*

Stephen Holt



# SUDOKU

3		8		6				2
	1				2	8		
2			7					9
	4	1			5			
				3			7	4
	3							
9		4	5		7			
		5						
				1	8			7

## SUDOKU

Sudoku or "single number" is a logic-based number-placement puzzle. The objective is to fill a 9×9 grid with digits so that each column, each row, and each of the nine 3×3 subgrids that compose the grid (boxes) contain all of the digits from 1 to 9 once.

					3	2	9	
	8	4			1			
7					5			1
					8			
1		9					6	3
		2	6	9				
3								
	4							
		8	4			6		9



# Downsizing BEFORE RETIREMENT

For those whom retirement is a long way off, it can represent a never-ending vacation, a time free of work and full of play. For others who are closer to retiring, their next chapter may represent an exciting season filled with new and meaningful contributions. Whatever your retirement plans may be, shrinking your domestic footprint may be an important aspect to consider, and you may be surprised why it matters. In this article, we'll explore some reasons to downsize, and some smart strategies to consider that can help make sure your retired life is everything you're hoping for.

## HOME IS WHERE THE HEART IS

When you think of your home, what do you think of first? The sound of little feet racing from room to room? The comfort of a home-cooked meal shared around the family dinner table? In every phase of life, the emotional memories we attach to our most meaningful spaces and places can be powerful. Sometimes those memories are even strong enough to keep us in a place longer than we might stay otherwise. Many retirees continue to live in too-large homes, despite no longer needing the space, simply because it's hard to let go.

Downsizing to a more modest home before retirement has huge benefits, both financially and mentally. A smaller living space might save you thousands of dollars a year in taxes, utility costs, and insurance costs, not to mention the savings in your personal energy. The upkeep required on a larger home can also take a mental toll over time.

## DOWNSIZING? MORE LIKE "RIGHTSIZING"

While you're working or raising a family, owning a home that's large enough to accommodate your needs comes with innumerable benefits. However, many of those benefits become burdens after retirement. Still, it's hard for some to think about shrinking their domestic footprint.

It can be helpful to think of downsizing as "rightsizing," instead. The end result is typically the same, but conceptually, this can help transform what may feel like a limitation into a positive, lifestyle-affirming strategy. Moving to a home that's the right size for your retired lifestyle can result in a lower mortgage payment, lower utilities, lower property insurance, and lower overall stress.

After you've put in the effort to prepare for an enjoyable retirement, rightsizing your home for your needs can help you truly maximize the positive impact of all your hard work.



MANY RETIREES CONTINUE  
TO LIVE IN TOO-LARGE  
HOMES, DESPITE NO  
LONGER NEEDING THE  
SPACE, SIMPLY BECAUSE  
*IT'S HARD TO LET GO.*

# THE NATIONAL MEDIAN PRICE FOR CONDOMINIUMS IS NOW *HIGHER THAN* THE MEDIAN PRICE FOR SINGLE-FAMILY HOUSES.



## SMALLER DOESN'T ALWAYS MEAN CHEAPER

Depending on what stage of life you find yourself, it may have been a while since you were in the market for a smaller home. Interestingly, the national median price for condominiums—which are typically smaller in square footage than standalone homes—is now higher than the median price for single-family homes.<sup>1</sup> However, this needn't be a barrier to lowering your expenses. You might just need to do a little research before settling on a retirement-friendly home.

Even if you've been a homeowner for a while, there are a couple downsizing guidelines to keep in mind. One simple trick to gauge what's affordable for you is to check out what the payments would be on a 15-year mortgage. If the scheduled monthly payments on a 15-year mortgage makes you a little uncomfortable, you may want to lower the price range you're looking in.<sup>2</sup>

To find the best mortgage structure for you, consider your income sources and your time horizon. Structure your payment schedule in a way that is designed to work best for you, and don't hesitate to reassess your home regularly to ensure it continues to meet your needs.

## NEEDS VS. WANTS: THAT OLD CHESTNUT

In a world where we'd like to think we can have it all, it's never fun separating "wants" from "needs." But when it comes to creating your retirement strategy, it helps to remember that the line between necessity and luxury has shifted over time. These days, people tend to categorize as necessities many things that their parents either never heard of or lived without.

Your idea of necessities and luxuries is highly personal and will most likely be different from those of your friends or neighbors. What one person considers a necessity may be a luxury for another. Even still, as you make these distinctions for yourself, it's wise to remember that each item or activity one pursues has two costs: the actual cost in dollars and the opportunity cost, or what the money may have earned elsewhere, given the opportunity. By no means should you forgo all luxuries in retirement: simply strive for balance as you carefully weigh your approach.

# YOUR RETIREMENT SHOULD CENTER AROUND ENJOYING A HARD-EARNED LIFESTYLE YOU LOVE.

## HOW MUCH IS YOUR ENERGY WORTH?

Rightsizing your life also comes with psychological benefits, as less domestic upkeep can be quite mentally freeing.<sup>3</sup> Cleaning a larger house, keeping up with repairs, and overseeing yard work all require hours of valuable mental and physical energy each week. With less “stuff” to worry about, you’ll have more room to pursue what really matters to you.

It may be helpful to think of your energy like an asset. Assuming you have a finite amount of energy, where would you like to invest that energy to see the greatest return on your investment? Will you dedicate it to social activities, family visits, or finally writing that novel? For many, retirement is the first chance they have had in decades to dedicate themselves seriously to cultivating a favorite hobby or skill.

Retirement is also a perfect time to reconnect with old friends or further strengthen existing relationships with loved ones. With the daily grind out of the way, you may find yourself reaching out to former classmates or acquaintances you haven’t spoken to in years.

## MAKE IT EASY ON YOURSELF

Your retirement should center around enjoying a hard-earned lifestyle you love, not maintaining a living situation that no longer suits your needs and drains your finances as well as your energy. By preparing now, you can begin working toward a rightsized retirement that’s everything you want it to be—and then some.

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## SOURCES

<sup>1</sup>[https://money.cnn.com/retirement/guide/retirementliving\\_Relocating.moneymag/index5.htm](https://money.cnn.com/retirement/guide/retirementliving_Relocating.moneymag/index5.htm)

<sup>2</sup>[https://money.cnn.com/retirement/guide/retirementliving\\_Relocating.moneymag/index5.htm](https://money.cnn.com/retirement/guide/retirementliving_Relocating.moneymag/index5.htm)

<sup>3</sup><https://www.psychologytoday.com/us/blog/what-mentally-strong-people-dont-do/201807/5-ways-simplify-your-life>

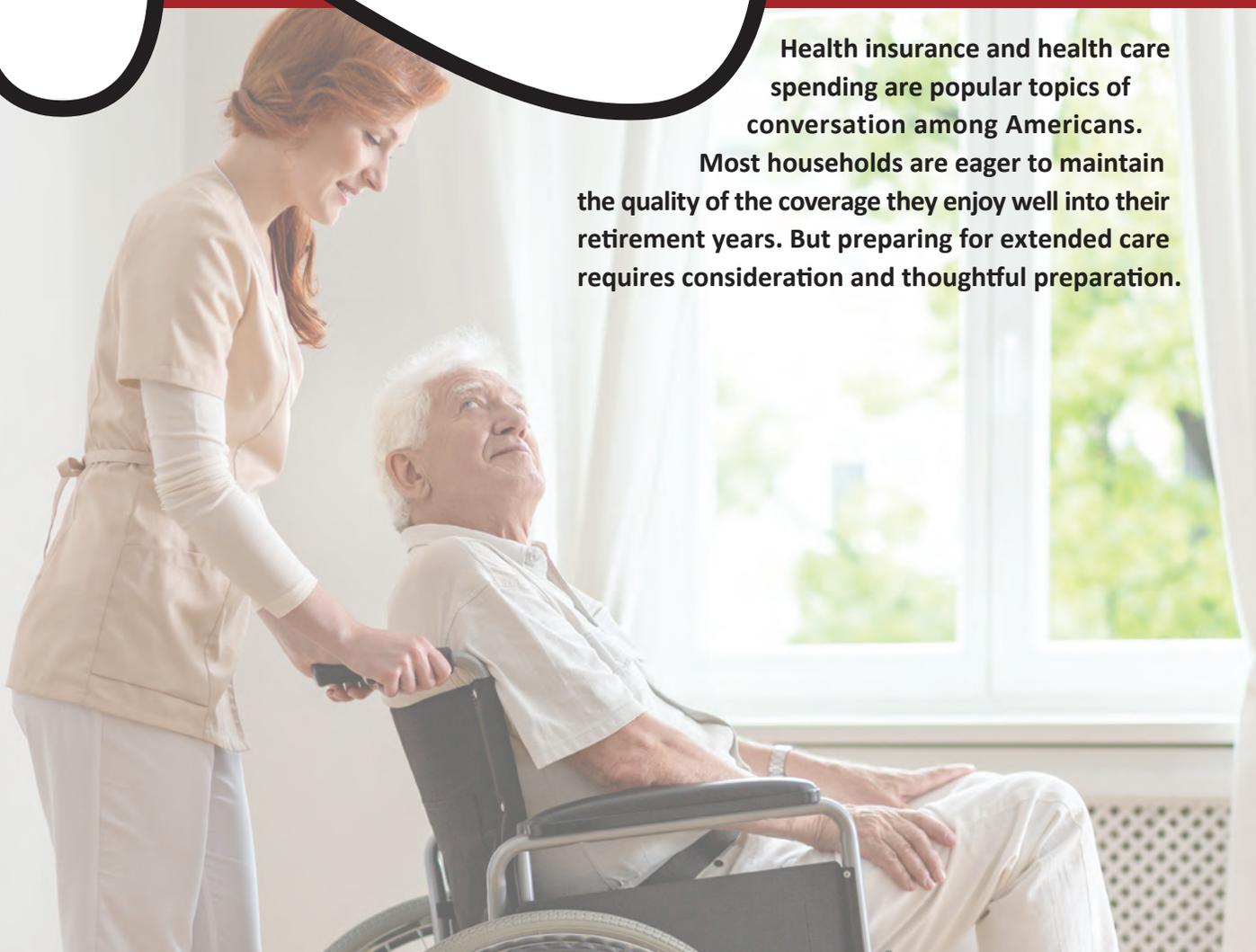




# PREPARING FOR **EXTENDED** CARE

Health insurance and health care spending are popular topics of conversation among Americans.

Most households are eager to maintain the quality of the coverage they enjoy well into their retirement years. But preparing for extended care requires consideration and thoughtful preparation.



**An extended-care policy can help protect your nest egg while also giving you more choices about *YOUR FUTURE.***



### **AN APPROACH FOR EVERY PERSON**

Whether you are just beginning your retirement strategy or are nearing retirement, it's vital to incorporate health care into the equation. You may want to consider obtaining a particular insurance policy that specifically covers you in the event that you need extra care. Pre-existing conditions may disqualify you from purchasing such coverage, so it's wise to think about it early.<sup>1</sup> It's not necessarily a fun topic, but the advantages are clear: an extended-care policy can help protect your nest egg, while also giving you more choices about where and how you receive the care you may need in the future.

### **WHAT IS EXTENDED CARE?**

Extended care is the need for specialized care outside the parameters covered by ordinary health insurance. While sometimes it just means a longer hospital stay, extended care encompasses a wide array of scenarios that may arise. For example, an Extended Care Facility (ECF) is a health care establishment with a more specialized focus. A residency at an ECF may be necessary for patients who are rehabilitating from a severe injury, fighting a chronic illness, or otherwise in need of care that an ordinary hospital may not provide.

### **CONSIDER YOUR OPTIONS**

Often, family and friends provide extended care for a season. However, this can be a burden on loved ones over time, and the need for assistance tends to increase with age. Choosing to purchase extended-care insurance can be a way

of protecting your loved ones while also making sure you'll receive the level of care you require.

Many "self-insure" by default, simply because they haven't made other arrangements. Those who self-insure may depend on their personal savings and investments to fund any needs. Another approach is to consider purchasing extended-care insurance, which can cover all levels of assistance from custodial care to in-home helpers.

### **EXTENDED CARE, EXTENDED COVERAGE**

In addition to ECF care, the scope of extended-care coverage can include home care and other specialized services such as visits with health care professionals, emergency alert devices, transportation, housekeeping, meals, and more.

It's essential to determine whether the insurance you receive through your employer (or the coverage you've purchased) is designed to cover extended care. In most cases, Medicare does not, as it falls outside their definition of "medical care."<sup>2</sup>

The good news is that there are ways to prepare for the event that you or your loved ones require extended care. These include purchasing a specific insurance policy and establishing a Health Savings Account (HSA), which we'll discuss later in this article.

## CRUCIAL QUESTIONS TO CONSIDER

### *What is the daily, weekly, and/or monthly benefit amount?*

Policies often pay benefits by the day, week, or month. You may want to evaluate what extended-care facilities in your area of the country are charging before committing to a policy.

### *What is the maximum benefit amount?*

Many policies limit the total benefit they'll pay over the life of the contract. Some state the limit in years; others, in total dollar amount. This is an important question to consider.

### *What types of facilities are covered?*

Extended-care policies can cover an array of options, including:

- Nursing home care
- Home health care
- Respite care
- Hospice care
- Assisted living facilities
- Other community facilities

Many extended-care policies cover some combination of these. Be sure to look into what facilities are available to you when you're considering a policy.

### *What is the elimination period?*

Benefits don't necessarily start upon entering extended care. Most have an elimination period, a kind of "blackout date" period during which the insured is responsible for the cost of care. In many policies, elimination periods can range from zero to 100 days after nursing home entry or disability.

### *Does the policy offer inflation protection?*

Adding inflation protection to a policy may increase its cost, but it could be important if extended care services could potentially increase in price over time.

## HSA: A SPECIAL WAY TO PAY

HSAs have emerged as another solution to extended-care needs. An HSA isn't insurance, but it does provide a tax-

advantaged savings account, to which you, and potentially, your employer, can make contributions over time. You can use these funds to pay for most medical expenses, including prescription drugs, dental care, and vision care. You can look into this choice right away, to take advantage of savings over time.

Once you reach age 65, you'll be required to stop making contributions to an HSA. Remember, if you withdraw money from your HSA for a non-medical reason, that money becomes taxable income, and you face an additional 20% penalty. After age 65, you can take money out without the 20% penalty, but it still becomes taxable income.<sup>3</sup>

An HSA works a bit like your workplace retirement account. Your employer can make contributions alongside you. However, the money that you contribute comes from your pre-tax income and can be invested for you over time, so it may grow as your contributions accumulate.<sup>3</sup>

## HSA LIMITS TO CONSIDER

There are some HSA rules and limitations to take into consideration. You're limited to a \$3,500 contribution for 2019, if you are single; \$7,000 if you have a spouse or family. Those limits jump by a \$1,000 catch-up limit for each person in the household over age 55. Your employer can contribute, but the ceiling is cumulative between your contributions and theirs. For example, let's say you're lucky enough to have your employer put a hypothetical \$1,000 into your account in 2019; you may only contribute as much as the rest of your limit. If you go over that limit, you'll incur a 6% tax penalty, so it's smart to keep an eye on how much you're putting in.<sup>3,4</sup>

## WE ARE HERE TO HELP

The sooner you begin to prepare for extended-care considerations, the better off you may be in the long run. Remember, you don't have to prepare on your own. If you have any questions, reach out and let's talk. Together, we can build a strategy to help you face your future with confidence.



Consider purchasing extended care insurance, which can cover **ALL LEVELS OF ASSISTANCE** from custodial care to in-home helpers.



SOURCES:

<sup>1</sup><https://www.nerdwallet.com/blog/insurance/long-term-care-insurance/>

<sup>2</sup><https://www.medicare.gov/coverage/long-term-care>

<sup>3</sup><https://www.investopedia.com/terms/h/hsa.asp>

<sup>4</sup><https://www.optumbank.com/all-products/hsa/investment-services.html>





# The Fine Art of *Hygge*

## Coziness as a Lifestyle

As the heat of summer passes into the cooler weather of autumn, many people feel the urge to change pace. Where June, July, and August bring to mind barbecues, travel, and with school out, and the kids underfoot, the latter months of the year bring comfort to mind.

The Danish have a concept that's swept the world in recent years. *Hygge* (pronounced "hoo-gah") is the practice of comfort and coziness as a lifestyle. Its principles are pretty simple, partially because one of the key factors is simplicity—a back-to-basics approach to home life, comfort, and relaxation. It's so simple, in fact, you likely may already have many of the things you will need around your home.<sup>1,2</sup>

## Dress to Decompress

One of the main *hygge* creeds is the adoption of warm, comforting clothing. The first stop is your sock drawer for a visit with your warmest woolen socks. The word *hyggebusker* refers to a pair of pants that you only wear around the house. If you have a pair of old sweatpants that act as equal parts causal wear and blanket, you have the right idea. Speaking of blankets, traditional Danish *hygge* likely includes a reindeer hide. Thankfully, a big blanket will work just fine.<sup>1,2</sup>

## Candle With Care

The Danish have something of a love affair with candlelight. The average Dane uses 13 pounds of candle wax per year. You'll find candlelight in most homes, workplaces, and classrooms. The candlelight is intended to add atmosphere to a home and calm the mood of a room. If you've ever worked under fluorescent lighting, you can probably imagine the appeal of dimming the lights and giving your eyes a rest.<sup>2,3</sup>

## Eat, Hygge, Love

Getting cozy is great, but what's for dinner? Rather than expending all of that conserved energy on a complicated meal, the *hygge* principle is to make warm, comforting, and simple food. Porridge is a *hygge* staple. Americans often think of oatmeal for porridge, but you can mix it up by cooking other grains, or even legumes, or mix in sweet or savory flavors, to taste. A slow cooker stew is another warm, comforting idea for a low-key *hygge* meal. Warm drinks are also prescribed, so check your supply of tea and cocoa. You might also consider a mulled cherry wine with cardamom pods and star anise, which the Danish call *gløgg*. One of the biggest *hygge* indulgences, though, are baked goods.<sup>1,2,3</sup>

## Hygge-tainment Tonight

How do you share this feeling when friends and loved ones visit? Staring at your phones is a counter-*hygge* move, to be sure. Break out the board games, pop some popcorn, mull some wine or brew some cocoa, and have some connected, low-key fun. Lest you think that this principle totally eschews electricity, a night watching a movie or TV shows is totally *hygge*. You can even use an electric blanket.

However you plan to put these ideas into action during the cooler months, keep warm and joyful *hygge* to you all.

### Sources:

- <sup>1</sup><https://www.newyorker.com/culture/culture-desk/the-year-of-hygge-the-danish-obsession-with-getting-cozy>
- <sup>2</sup><https://www.self.com/story/practicing-hygge-danish-lifestyle>
- <sup>3</sup><https://www.countryliving.com/life/a41187/what-is-hygge-things-to-know-about-the-danish-lifestyle-trend/>



A BOUNTIFUL

# Harvest

COOKING IN AUTUMN

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With summer behind us, and hibernating barbeques everywhere dreaming of warmer times filled with juicy burgers and chargrilled vegetables, Americans are turning to one of the most exciting food seasons: Fall. Sure, the changing of the leaves and cooler weather are great, but for our money the best thing about fall is the food. Who can resist fresh fall produce, like squash, sweet potatoes, and apples? Or how about the satisfaction of creating the most comforting of comfort food dishes, like stews, pot pies, and mac and cheese? No matter who you are autumn, as our cousins across the pond call it, is a season ripe with possibility for the intrepid home chef. To welcome autumn with arms open and palates ready, here are some of our favorite ingredients, meals, and even a fall recipe to try at home.



## Citrus Brussels Sprouts with Bacon and Breadcrumbs<sup>1</sup>

### Ingredients

2½ lbs. Brussels sprouts, trimmed  
4 oz. slab bacon or pancetta (Italian bacon), coarsely chopped  
3 Tbsp. olive oil, divided, plus more for serving  
1 cup coarse, fresh breadcrumbs  
1 small Fresno chile, seeds removed, finely chopped  
1 Tbsp. thyme leaves  
1 tsp. lemon zest, finely grated  
Kosher salt  
2 Tbsp. fresh lemon juice, divided

### Preparation

**Make this breadcrumb mixture up to 3 hours ahead:** store uncovered at room temperature. Brussels sprouts (without leaves) can be made 2 hours ahead; store covered at room temperature. Reheat before adding leaves.

1. Remove outer leaves from Brussels sprouts; set aside. Halve the Brussels sprouts; set aside.
2. Lightly pulse bacon in a food processor until finely ground.
3. Heat 1 Tbsp. oil in a large skillet over medium-low heat.
4. Cook bacon, stirring often, until browned around edges and fat is rendered, about 4 minutes.
5. Add breadcrumbs and cook, stirring often, until browned and crisp, about 5 minutes.
6. Transfer breadcrumb mixture to paper towels and let cool slightly. Toss in a medium bowl with chile, thyme, and lemon zest; set aside.
7. Increase heat to medium-high and heat 2 Tbsp. oil in same skillet. Add reserved halved Brussels sprouts; season with salt.
8. Cook, tossing occasionally, until deeply browned all over, 5–8 minutes.
9. Reduce heat to low, cover skillet, and cook until tender, about 5 minutes.
10. Uncover skillet, add reserved leaves and 1 Tbsp. lemon juice, and toss to combine.
11. Cover skillet and cook, tossing occasionally, until leaves are bright green and just wilted, 4–5 minutes.
12. Uncover; add remaining 1 Tbsp. lemon juice and season with salt.
13. Transfer Brussels sprouts to a platter, drizzle with more oil, and top with reserved breadcrumb mixture.

### Sources

<sup>1</sup>Adapted from Bon Appetite: <https://www.bonappetit.com/recipe/lemony-brussels-sprouts-with-bacon-and-breadcrumbs>

### Pears, Parsnips, and Brussels Sprouts... Oh My!

This magical trio is at its best in the fall when the ingredients create a symphony of layered, comforting flavors across a variety of preparations. Imagine a table loaded with poached pears, roasted Brussels sprouts with a rich parsnip puree or a spiced pear butter, or even just shaving this tasty triumvirate to make a refreshing, raw slaw.

### Hazelnuts and Bacon Make Everything Better

If you're not allergic to nuts, toasted hazelnuts and crispy, thick-cut bacon can make any fall vegetable dish feel decadent and warm. Another tip is to try making your own dressing by combining lemon juice, sherry vinegar, and hazelnut oil for all your autumn salads. The simple, yet delicious, dressing compliments cruciferous vegetables like broccoli or Brussels sprouts perfectly.

### A Season for Swordfish

Many home cooks already know that fennel and pork are a magical combination. But what about swordfish? This flavorful, semi-sweet swimmer is a perfect match for "warm" spices like coriander, cumin, fennel seed, mustard seed, and black peppercorn. A quick sear and you're more than ready to serve this surprising fall favorite over a bed of braised spinach or make a pillow of fluffy, mashed root vegetables.

### No Experience Necessary

One of the joys of cooking<sup>1</sup> is that almost no experience is necessary. As long as you follow a recipe and take your time, preparing wonderful Fall dishes is easy. Ready to eat your fill of delicious autumnal fare? Try the following recipe, and you'll be more than satisfied!

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