



FIVE COMMON RETIREMENT MYTHS EXPOSED

Many future retirees dream of the day they can say goodbye to the workforce and hello to the sweet freedom of their golden years to relax, vacation and simply enjoy being free of timelines and alarm clocks. Yet for some, reality hits when retirees find themselves more often bored with their newfound freedom, possibly a bit lonelier now that they are out of the workplace, and other unexpected surprises they may encounter.

Here we explore some of the more common retirement myths to help set the record straight:

Myth #1 – You’ll have more days of free time. Those retirees who anticipated long, lazy days enjoyed around the house without an alarm clock to wake them, may find their calendars booked. Often family commitments, volunteer work, special events or new hobbies quickly take a bit out of all those “lazy” days. If a quieter lifestyle is really what you want, be sure to set expectations with family and friends where possible to keep your commitments low to be able to enjoy that free time.

Myth #2 – Social Security will provide a financial security blanket. Often retirees put too much weight on their Social Security benefits—earmarking them to cover more expenses than they may cover. After all, Social Security was never meant to be a sole income stream for retirees, instead consider it more like income “padding” to supplement investment funds or pensions, which are considered the main sources of income for retirees.

Myth #3 – More than one-third of Americans plan to work in retirement. Yes, there is an overarching fear among many Americans that they can’t save enough for retirement—so much so, that they may be required to continue working well into retirement or find a new job once retired. Exploring this statistic further actually reveals that about one in 10 retirees ends up working to beat boredom.¹ If you aren’t bombarded by family commitments, busy enjoying events or hobbies, you may find yourself twiddling your thumbs. If that is the case, be sure you keep your career skills up until you approach retirement should you need to use them later.

Myth #4 – Being retired means spending less money. As much as we budget and plan for a financially comfortable retirement, the data shows many Americans are outspending their budget at a surprising rate. An Employee Benefit Research survey revealed that 46 percent of seniors spend more money during their first two years in retirement than during their working years.² Whether it’s an enticing new hobby or soaking up more free time shopping, whatever the case, be wary of overspending. If you are overspending, stop the trend before it gets out of control.

Myth #5 – Health issues often affect retirees later in life. Unfortunately, the statistics show the opposite. New retirees have been shown to be afflicted more by hearing issues, limited mobility and often arthritis. With these issues come unanticipated health costs earlier on in retirement. Many seniors are often surprised they may have to take medication for the rest of their life. Staying healthy by exercising and eating well until retirement and beyond is one of the best ways to help combat common ailments.

If you, a friend or family member have questions about retirement, contact the office for assistance with separating myth from reality.

¹ <https://www.usatoday.com/story/money/personalfinance/retirement/2017/04/28/10-retirement-stats-that-will-blow-you-away/100543308/>

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THE LATEST RETIREMENT TRAVEL TRENDS

Many baby boomers today long to fulfill their dreams of traveling when they hit retirement. Gone will be the days of cramming trips into long weekends or limited vacation days. With a restless curiosity and passion to experience new places, here are just some of the ways seniors are planning to enjoy travel in their golden years:

A bucket list – One way retirees are planning their next adventure is by creating a bucket list. These lists often contain exotic destinations or a long cruise they wouldn't have dreamed of taking while in their careers. According to AARP, 38 percent of retirees have a bucket list and they have on average eight different destinations on their list, half international and half domestic.³

Taking on “voluntourism” – This uniquely coined phrase describes volunteer-related travel that many retirees are enjoying. Seniors who want a vacation with purpose like traveling to distant destinations to help endangered animals or improving conditions for those living in impoverished countries. A strong desire to improve the state of the world has many boomers today taking off on travel with a purpose.

Keeping it domestic – Then again many retirees prefer to keep their travel within the domestic United States in favor of avoiding the hassles of passport requirements, language barriers or monetary exchanges. Often the states of Hawaii and Alaska are the most enticing destinations for retirees, offering unique sights and distance far enough to feel like a vacation but without leaving the comforts of the United States.

Finding the best deal – When it comes to travel, many seniors are all about the deals. Lack of money is a serious concern for baby boomers today, and when it comes to taking a trip there are many deals to be had. Whether it's a discount on a rental car or hotel room or waiting for a good rate on airfare—retirees are scouting deals and making travel happen for less. The key benefit of traveling while retired is being able to fly during non-peak seasons when vacation would otherwise be dictated by school breaks or holidays.

If travel is on your bucket list for retirement, we can help you plan accordingly to enjoy your golden years experiencing new adventures.

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³ <http://www.aarp.org/research/topics/life/info-2017/2017-travel-bucket-lists.html>