

New Retirees May Find They Need to Rethink Their Financial Plans

# A Woman's Guide to Retirement

by Alexandra Armstrong, CFP, CRPC



*This is the last of a two-part series based on a book Mary R. Donahue, Ph.D., and I wrote, "Your Next Chapter: A Woman's Guide To A Successful Retirement," about retirement from a woman's point of view.*

**In our last article, I talked about planning for retirement. In this article, I'll focus on the adjustments you'll typically make in the first year or so of your retirement. Before retiring, most people focus primarily on the financial aspects of their retirement. Once you're no longer working on a daily basis, you may be surprised about the emotional adjustments you'll be making.**

Retirement is often referred to as an event. However, we believe it's not an event, but a series of new experiences. In fact, one writer has referred to retirement years in three phases. The initial phase is the "go-go years" when you are first retired and are filling your days with numerous activities, including travel. The second is the "go-slow years" when you settle into a comfortable routine. The third is the "no-go years" when your concerns are more health related. How much time you spend in each phase or whether you go through all three phases depends on your individual circumstances.

## Initial Emotional Adjustment

Whether you've been eagerly anticipating your retirement or dreading it, recognize that it will be a major change. For the first time in your life, you don't have to get out of bed at a certain time. You have the luxury of doing what you want when you want to do it. This requires an adjustment since in the past you always had a goal or responsibilities from finishing your education, starting your first job, choosing a partner, buying your first home or raising your children. Now that you have no specific goals or obligations, what will you do with your time?

Whatever you envisioned, it will take some getting used to a new routine those first few weeks and months of retirement, particularly for the working woman who has been multitasking. Accepting the fact that you no longer have a daily agenda controlled by others is a major change. Many women tell us they go through an initial honeymoon period when they luxuriate in this new found freedom, but sooner or later, most get restless and seek to fill this time with some kind of structure. They investigate various activities such as volunteering, spending more time with family and friends, developing new interests, attending adult education classes, traveling and/or working part time.

## Physical Health

Before you retired, you might have been the type of person who regularly went to doctors. Others may not have been as disciplined. Now is a good time to get a complete physical. You also should evaluate whether the medical providers you currently have are the right ones for you going forward. Often when you reach retirement age, your doctors may also be retiring. We suggest that your doctors be younger than you, so they can continue to manage your care as you age.

In the past, you might have had a regular exercise routine. But many women who were busy balancing household and family responsibilities with work demands may have had difficulty finding time to keep a disciplined exercise schedule. Exercise can help you stay healthy longer and also contributes to a positive mental attitude. Now that you are retired, you have lots of choices ranging from working out regularly at a gym with a trainer to taking daily walks. Perhaps you always wanted to try yoga; now is the time. Find an activity that gives you pleasure and then make it part of your regular routine.

Retirement also provides an opportunity to review your nutrition. Now you have more time to market for healthy foods and investigate different cuisines. Focusing on a healthier diet can contribute to your overall well-being.

The coronavirus pandemic has reminded us that it's essential that someone has the details about your health, should you unexpectedly become ill. Provide her with a list of your current medications and your current doctors, as well as your medical history. This person should also have a copy of your health and financial power of attorney, and your living will.

## Socialization

One of the problems retirees encounter as they age is depression due to isolation. This usually occurs later in your retirement years particularly if you are single. Now is a good time to expand your circle of friends to avoid this difficulty in the future. View this as an opportunity to develop new friendships that may evolve out of different social activities, such as bridge, golf and volunteer work.

When family members realize you are more available to do more things with and for them, they may expect you to provide them with more of your time. Don't feel obligated to spend all your time with them. It's important for you right at the beginning to communicate with them about how much time you're comfortable giving to them. They need to understand you have other things



you may want to do. Boundaries and limits are critical. It will be beneficial for everyone to set them. In the past, your religion may have been important to you. Again, you may decide to spend more time with people who share your religious beliefs, perhaps because you didn't have this time when you were working. This also can lead to developing new friendships.

### Financial issues

Before retiring, you estimated what your retirement income and expenses might be. Now you can see how realistic these estimates were. During this first year of retirement, we recommend you keep a detailed record of all your expenses. Fixed expenses such as rent or health coverage may be easy to predict but there are always the unexpected expenses that occur such as home maintenance or loans to family members or friends in need.

Now that you're retired, you'll have more time to monitor your investments to make sure they are meeting your current investment objectives. During this first year of adjustment, you may find it helpful to meet with your financial adviser and accountant more often than usual to see how your investment plan is meeting your needs and

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make any necessary adjustments.

Now is also a good time to review your estate plan with an estate-planning attorney. Make sure the person you have designated as your personal representative meets this lawyer. Give her a list of your financial advisers with contact information (financial adviser, accountant, banker). This person or another trustworthy person should know the password for your phones, email, bank and other accounts as well as the location of your financial records. Provide her with a key/combination to your front door and storage area, as well as to your safety deposit box and home files.

You might even take the estate-planning process further by preplanning your funeral and burial procedure. Do you want to be buried in a casket or do you want to be cremated? What kind of funeral service do you

want? It can be a gift to your family if you preplan and prepay for your inevitable demise.

### Conclusion

There's no reason for you to go through this next chapter in your life alone. There are many people who can assist you through your financial and emotional transition. Retirement is a major life transition event and will require adjustment. Good luck and smooth sailing! **B**

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