



FACILITATOR GUIDE

Informed Retirement Decisions: Using Work to Your Advantage

WORKSHOP OVERVIEW

Audience profile: This workshop primarily is intended for adults in their 50s and early 60s who are thinking ahead to the time when they will need to determine their optimal employment situation both prior to and during retirement, along with fallback options to fill gaps in income. The workshop participants may be trying to determine when they can stop working full time. The decisions they make about when to stop working, or perhaps begin to work part time, will impact their retirement paycheck.

The beginning of retirement generally has been the point at which individuals stopped working altogether. That still may be the case for many retirees. However, many people approaching retirement also consider slowly phasing out of full-time work, either by continuing employment on a part-time basis, consulting, or starting their own small business. Regardless of their post-retirement work intentions, the decision about when to stop full-time employment is important and may not always be under one's control.

By sharing tools and resources during this workshop, you will show participants how to get the clear answers they need to make confident decisions about how long and how much they need to work to have a financially secure retirement.

This workshop walks participants through the basics of determining how best to approach their decision of when to stop working. The information presented focuses on guiding the participants to create and evaluate criteria to make these work-related decisions. Also, this workshop directs participants to free, credible resources for the many questions they may have about working preretirement and during retirement.

Length of workshop:

90 minutes

Description of content:

The following topics are addressed in the *Informed Retirement Decisions: Using Work to Your Advantage* workshop.

- The payoffs and trade-offs of working preretirement and during retirement
- Guidelines for work-related decisions
- Common types of circumstances that may call for fallback work plans

Target Learning Outcomes:

Participants will use what they learn in this workshop to establish an intentional work strategy as they transition into full retirement as well as plan for contingencies in the event a fallback plan is needed to fill any income gaps during retirement.

Participants will address the following learning objectives as they master the competency:

- a. Discuss the payoffs and trade-offs of working preretirement and during retirement.
- b. List guidelines for making work-related decisions leading into retirement.
- c. Recognize common types of circumstances that may call for fallback work plans.

Participants will know that they have achieved the learning outcomes when they have done the following:

- a. Identified must-have criteria, nice-to-have criteria and unacceptable criteria for work and earning situation leading into retirement.
- b. Weighed the payoffs and trade-offs of working longer as it impacts retirement objectives.
- c. Outlined a plan to phase out of the workforce leading into retirement.
- d. Outlined a strategy to address any offer of an early retirement (buyout) package, should this be a possibility.
- e. Outlined fallback plans for at least two potential circumstances that may trigger a need to fill an income and/or insurance benefit gap.



FACILITATOR PREPARATION

- View NEFE's video resources to maximize your workshop facilitation and integrate best practices for engaging adult learners. (www.financialworkshopkits.org/getting-started.aspx)
 - About Financial Workshop Kits (length: 4:20)
 - How to Use Financial Workshop Kits (length: 1:33)
 - Plan Prior to Teaching (length: 3:53)
 - Better Engage Your Audience (length: 3:32)
- Promote workshop.
- If possible, gather demographic information about your audience to make the workshop relevant to their financial circumstances, skills and knowledge.
- Preview this guide so you are prepared for questions that may arise.
- Tour the My Retirement Paycheck website to become familiar with eight independent financial decisions that impact retirees. (www.myretirementpaycheck.org)
- Tour the following websites to become familiar with the content:
 - My Retirement Paycheck: www.myretirementpaycheck.org/when-retire.aspx
 - AARP, Work: (www.aarp.org/work)
 - Department of Labor, Saving Matters: www.savingmatters.dol.gov/employees.html#7
 - Next Avenue, Work and Purpose: www.nextavenue.org/channel/work-and-purpose/

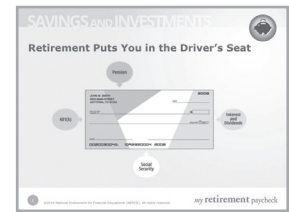
- ❑ Make note of the suggested length for each topic in this workshop. This workshop is designed to run approximately 90 minutes from Introduction and Preview to Wrap Up, depending on the amount of class discussion.
- ❑ Reflect on your own situation:
 - Do you know when you will stop working full time? (Or if you're already retired, when did you decide on your retirement date?)
 - How important is work in your life? How will you spend your time if you stop working full time?
 - What factors will (did) affect your timing?
 - Will you (or did you) scale back your hours or move into a less demanding job first? Why or why not?
- ❑ Reflect on your own views about utilizing financial assets during retirement:
 - What was your biggest question or concern about making the decision to stop working?
 - If you're still working, are you worried that you may be forced to retire earlier than planned?
 - Are there lessons learned from your own experiences that may be helpful to share with others?
- ❑ Throughout the workshop, keep these two points in mind:
 - When it comes to talking about money, sharing your own successes and challenges will make the workshop much more engaging — and valuable — for participants. It makes the points you're discussing come alive, reassures them that they are not alone in having questions and concerns, and encourages them to share their own experiences, which can be equally valuable to other participants.
 - Participants may feel self-conscious about their financial situation or some of the choices they've made, so include a statement in your opening that these workshops are a judgment-free zone and that there is no single right or wrong answer — it depends on the person's situation and values. The aim of this workshop is to empower individuals to make decisions that work for them and align with their values and needs, which might not look like everyone else's.

MATERIALS NEEDED

- ❑ PowerPoint presentation, LCD projector, screen, laptop computer
- ❑ Flip chart and easel or whiteboard, markers
- ❑ Pens/pencils for participants
- ❑ Copies of Workshop Packet, one per learner
- ❑ Name tags or name tents
- ❑ Optional: Internet access for live tour of the NEFE website and resources
- ❑ Optional: Pre-workshop and post-workshop evaluation forms, one per learner

Presenter Notes	Materials
<p>Introduction and Preview <i>10 minutes</i></p> <ul style="list-style-type: none"> ❑ Display this slide as you greet people when they arrive and help them get settled. ❑ Ensure that everyone displays a name tag or name tent. ❑ Welcome participants and introduce yourself. ❑ Facilitate an introductory activity to engage participants as they share names and get to know one another. Provide a prompt to gain insight into your audience by asking a nonthreatening, work-related question. <ul style="list-style-type: none"> — <i>What do you hope to gain by attending this workshop?</i> — <i>What is one question you have regarding making the decision to stop working full time?</i> <p>List the questions on the flip chart or whiteboard. At the end of the workshop, review the list to evaluate whether or not issues have been addressed, or point out where to get more information.</p>	 <p>Slide 1 - Workshop Title</p> <p>Name tags or Name tents</p> <p>Markers</p> <p>Flip chart or whiteboard</p>
<ul style="list-style-type: none"> ❑ Lead into the workshop introduction as the Preview slide is displayed to provide an overview of the workshop content and outcomes. ❑ Share that, by the end of this workshop, participants will be better equipped with the tools they need to intentionally plan how they will exit the workforce (if at all) or cover any income gaps during retirement. ❑ Explain that during this workshop they will do the following: <ul style="list-style-type: none"> — Preview eight key retirement decisions. — Explore optimal employment situations in preretirement and retirement with fallback options to fill income and insurance benefit gaps during retirement. — Discover where to go for additional help. 	 <p>Slide 2 - Preview</p>

- ❑ Ask participants to give examples of ways people receive regular income. (Examples might include paycheck from a job, disability benefits, and alimony and palimony payments.)
- ❑ Note that individuals receiving these types of income probably had only partial control of these checks. Even if they negotiated the salary, their employer decided terms such as whether they'd be paid weekly or biweekly, when and how much their raises would be, or whether they were eligible for any bonuses — and how much and when those would be. For alimony and child support, the lawyers or court decided what they would receive and when. And for any kind of benefits check, the insurer or government determined how much they would receive and when.
- ❑ Point out that in these instances, the income earners simply focused on managing the money they received. But stress that this changes in retirement. Explain that once in retirement, they will be in the driver's seat because THEY will have to decide how much and how often they'll be paid.



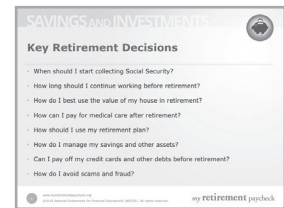
Slide 3 - Retirement Puts You in the Driver's Seat

- ❑ Explain that a retirement paycheck is how people pay themselves throughout their retirement years. When a person takes an action within a decision area, it either produces or reduces retirement income. A “retirement paycheck” describes how each decision area and all income streams work together to create a paycheck.
- ❑ Point out that academic research and evidence suggests that retirement is a holistic process, with each decision area affecting other areas of consideration. For example, all of the questions shown in the illustration on the screen are connected to one larger question: *How much of a regular retirement paycheck can I expect to pay myself?* The answer to this question depends on decisions made about factors such as work, benefits and housing. By piecing together many different streams of income, taking responsibility for making informed decisions, and appropriately growing and protecting assets, individuals can make a small nest egg last longer during retirement.



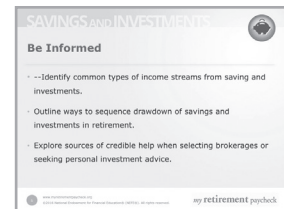
Slide 4 - A Holistic Approach

- ❑ Explain that, just as retirement planning encompasses savings, pensions and Social Security, decisions about drawing down assets are interrelated as well.
- ❑ Note that there are eight decision areas: Work, Home and Mortgage, Insurance, Retirement Plans, Savings and Investments, Debt, Fraud and Social Security. While most of these decision areas are income producers — meaning they contribute income to one’s retirement years — areas such as Debt and Fraud are examples of income reducers.
- ❑ Explain that decisions that are made in each of these areas have a real impact on what a person can pay themselves as part of their retirement paycheck.



Slide 5 - Key Retirement Decisions

- ❑ Preview that this workshop specifically will help participants be informed about factors that impact their decision about how long to work in preretirement as well as plan for possible work in retirement. Distribute the Workshop Packet and point out the Action Plan. Preview the directions, and explain that today participants will address the following topics to help them intentionally plan a work strategy as they transition into full retirement, as well as plan for contingencies in the event a fallback plan is needed to fill any income gaps during retirement.
 - Discuss the payoffs and trade-offs of working preretirement and during retirement.
 - List guidelines for work-related decisions leading into retirement.
 - Recognize common types of circumstances that may call for fallback work plans.



Slide 6 - Be Informed

Action Plan: When to Stop Working

Topic A: Discuss the payoffs and trade-offs of working preretirement and during retirement.

15 minutes

Important

- Inform participants that in the first part of the workshop they will discuss the payoffs and trade-offs of working longer preretirement and during retirement. To learn how the participants perceive work and retirement, ask them to share what they think are positive impacts or the payoffs that working full time has on their retirement paycheck. Draw a T-chart on the flip chart or whiteboard to list positive comments in the left column. Reserve the right column for later comments about negative impacts. If any of the following aspects are not mentioned by participants, be sure to include each in the discussion.

Tangible aspects that have positive impact on a retirement paycheck:

- Fewer years of retirement left to finance
- More years in which to accumulate retirement savings (e.g., in a 401(k) plan)
- More years in which to earn Social Security benefits, and potentially larger benefits when the start of the benefit is delayed (Note: Review that the Social Security benefit is based on the 35 highest earning years, which may be an incentive for someone to continue working to document at least 35 years of earnings.)
- Staying eligible for health insurance benefits through an employer, which can provide coverage until reaching age 65 when eligible for Medicare and postponing payment of premiums for Medicare Part B coverage for a worker and spouse until retirement
- Continuation of other employer benefits such as life insurance, disability insurance and employee discounts
- More years of earning credit toward an employer pension plan

Intangible positive aspects of working, either full time or part time:

- Feeling younger
- Contributing skills and experience to society
- Maintaining or growing technical/job skills for current and future employers
- Avoiding the feelings of boredom that can come from having a diminished sense of a daily purpose

Flip chart or whiteboard and marker






Slide 7 - The Payoffs and Tradeoffs

- Transition into a discussion about how working full time during retirement may have a negative impact on a retirement paycheck. For this discussion, capture trade-offs in the right column of the T-chart. As responses dwindle, be sure to include the following trade-offs that may have a negative impact:
 - Higher taxes; people usually pay fewer income taxes after retirement because they are earning less money
 - Work-related expenses such as commuting costs or clothes for work
 - Work-related stress or other negative impacts on health
 - Less time to do the things that are enjoyed
 - A generally less flexible schedule

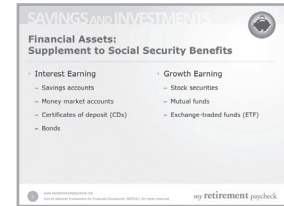
- Share the concept of a phased retirement. Many full-time workers retire and cease working altogether as paid employees. This is known as full retirement. However, some individuals don't completely stop working; instead, they go through a process known as phased retirement. They quit working full time but continue working part time or part-year for the same employer, a different employer in the same industry, or even find work in an entirely different field. Because not everyone has access to a phased retirement arrangement, other strategies can be employed. For example, it's becoming more common for workers "retire while working" and intentionally start achieving retirement goals while remaining employed.

Flip chart or whiteboard and marker

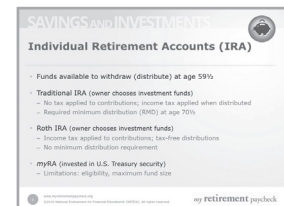
- Ask participants what they see as the payoffs of working part-time or in a phased retirement approach. Capture their responses in a T-chart using a flip chart or whiteboard. Share the following issues if they are not mentioned during the discussion about the positive aspects of part-time or phased work:
 - More flexibility in when and how much to work. Phasing out is usually negotiated with the employer to balance the needs and wants of both the retiree and the organization, thereby providing an opportunity to have a voice in the schedule and amount of work.
 - Social interaction. A phased-retirement job can provide a natural environment for ongoing interaction with other employees and customers and the potential for forming new friendships.
 - Sense of purpose. Having a job in retirement creates a sense of routine.
 - Opportunity to give back. After completing a career spanning 30 or 40 years of work, finding a job in a new field may allow an individual to give back to society in new ways as well as mentor younger coworkers.
 - Extra income. A part-time job might generate enough income to make ends meet; allow an individual to add to retirement savings to pay for future expenses such as health care; or could facilitate a delay in drawing Social Security retirement benefits, resulting in larger benefit payments.
- Ask participants to brainstorm any tradeoffs or downsides of working part time or phasing out of work. Add the comments to the T-chart. Include the following issues if they are not mentioned by participants:
 - Work-related expenses, stress and tax implications still may exist.
 - Exposure to reduction in Social Security benefit amount if taking the benefit before full retirement age. There are yearly earnings limits to income for people who take benefits before full retirement age.
 - Loss of benefits generally available to full-time employees such as health care coverage.

<p> ACTIVITY: Wrap up this discussion by allowing a few minutes for participants to individually respond to Task #1 in the Action Plan to assess their current preferences for their work situation near or at retirement.</p>	<p>Action Plan: When to Stop Working (#1)</p>
<ul style="list-style-type: none"> □ Point out that shifting from being an employee to becoming a contracted or freelance consultant is an option that can bridge the transition from full-time work to full-time retirement. Consulting or freelance work is a means to stay engaged in enjoyable work on one’s own schedule while generating extra income. This type of work may become an ongoing source of revenue or a small business venture during retirement. □ Share two resources that provide useful resources for entrepreneurs and small business owners. (Optional if Internet is available and time allows) Briefly tour the websites to introduce participants to resources available through the Small Business Administration and SCORE. <ul style="list-style-type: none"> — Small Business Administration, www.sba.gov: Information to start, manage and market a business, how to get loans and grants, where to find local resources, and video tutorials on a variety of topics — SCORE, www.score.org: National network of volunteer business mentors □ Point out that cash flow is an important consideration for individuals approaching retirement with small business aspirations. 	 <p>Slide 8 – Bridge During Transition</p>
<p> ACTIVITY: If I Don’t Have To/Want To activity. Direct the participants to consider the payoffs and trade-offs of what they might do if they didn’t have to or want to work fulltime before stopping work completely. Invite them to share their ideas with their partner or another workshop participant. This activity will help them complete the Action Plan later in the workshop.</p>	<p>Activity: If I Don’t Have To/Want To</p>

- ❑ **CHECK-IN QUIZ ACTIVITY:** Display two or three questions. Ask individuals to silently reflect on whether the answers are “True” or “False.” Click to the next slide to show the answers.



Slide 9 - Check-in Quiz



Slide 10 - Check-in Quiz (answers)

Continued on page 12

Topic B: List guidelines for work-related decisions leading into retirement.

20 minutes

Medium Difficulty

- Remind participants that there is no “right” path that fits everyone when deciding how long to work full time or part time. The best path for them is the one that delivers the best balance of payoffs and trade-offs. At this point, share with participants generally accepted guidelines to help them make work-related decisions leading into retirement.
 - Make sure it’s an affordable option. As long as health is not an issue, don’t stop working until able to prove that the option is financially sound and affordable. It may be wise to practice living on one’s estimated retirement income to see if it is feasible.
 - Work until full retirement age. If in good health, aim to work at least until full retirement age (66-67) to benefit in the following ways.
 - Larger monthly Social Security payment. By delaying taking Social Security, a larger monthly payment will be received, and all Social Security retirement benefits are adjusted for inflation.
 - Increased savings. Keep adding to your retirement nest egg instead of depleting it too quickly, and delay withdrawals from retirement savings accounts to allow savings to continue to grow.
 - Healthcare insurance coverage. Keep healthcare benefits longer.
 - Plan ahead. Assume that an individual must spend dramatically less in retirement. Some costs may be higher and disposable income may decrease due to inflation.
 - Before finalizing decisions, consult with available advisors (human resources personnel, career counselor, financial advisor or outplacement advisor) to be informed of options and consequences.
 - Know the tax and benefit implications that working has on Social Security benefits claimed prior to full retirement age. Point out that many retirees have to pay federal income taxes on their Social Security benefits. Up to 85 percent of their Social Security benefits may be taxable. This generally is the result of having substantial income from wages, self-employment income, or other taxable income (e.g., a spouse’s income, if married filing jointly) that is reported on federal tax returns.



Slide 11 – Generally Accepted Guidelines

[Notes for discussion as time allows.] Explain that there also is a reduced benefit amount impact if an individual takes Social Security retirement benefits prior to the full retirement age and works at the same time. The benefit is reduced if making more than the yearly earnings limit. In 2016 the yearly earnings limit is \$15,720. For every two dollars made over that amount, the monthly benefit is reduced by one dollar. Many retirees taking the Social Security benefit prior to full retirement age carefully gauge how much they earn annually so they don't exceed the yearly earnings limit. The annual limits and reduction in benefits is different for the year in which you attain full retirement age. Share the following website with participants to learn more about benefit reduction if working and taking benefits prior to full retirement age. Inform participants that the website has calculators to see anticipated benefit reductions based on age and projected earnings.

Source: <https://faq.ssa.gov/link/portal/34011/34019/Article/3739/What-happens-if-I-work-and-get-Social-Security-retirement-benefits>

- Remind participants that some people may not be able to work as long as planned due to layoffs, health concerns or family circumstances. It is wise to stay in touch with what is happening in the work world to be positioned to return to the workforce if necessary.

Continued on page 14

- ❑ Point out that employers may offer an early retirement package, sometimes called a buyout, to reduce workforce costs while providing financial incentives for employees to voluntarily terminate employment or retire early. Reasons why companies offer these buyouts include lowering their future liabilities or enticing people to leave the company to reduce human resource expenses.
- ❑ Inform participants that the following features generally are present in an early retirement package:
 - Keep the benefits that are currently in place, and receive the monthly payment that has been earned to date.
 - Give up the opportunity for future annuity payments at retirement in exchange for a lump-sum payment now.
 - Give up the option of higher monthly payments at retirement for lower payments starting today or a date you set in the future.
- ❑ Stress the value of taking the time to ask questions, gather details, seek advice and weigh payoffs and trade-offs to be positioned to negotiate or select terms that have the best potential for a positive long-term impact after ending employment. To be prepared for a decision that may need to be made in a short timeframe, point out that today the participants will leave the workshop armed with questions to ask and guidelines so they can plan a strategy if ever faced with an early retirement buyout decision.



Slide 12 – Planning for a Buyout

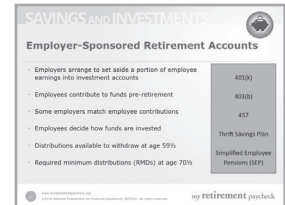
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- Guide participants to ask the following questions to weigh advantages and disadvantages when faced with decisions about accepting an early retirement buyout offer and deciding the terms of the buyout package:
 - Is there an option to receive low- or no-cost health insurance coverage until eligible for Medicare at age 65? How will the health care coverage gap be covered if under age 65 and no extension in coverage is offered by the employer? Can COBRA and the ACA marketplace help cover gaps?
 - Is the severance package based on all years of service? Are any additional years of service credited toward pension plan benefits? Are you near a calendar date that, if met, would increase the monthly pension payment?
 - Does the buyout cover the loss of any future wage earnings and retirement account contributions? Is it financially feasible to afford retirement due to fewer working years?
 - If offered a large sum of money from the buyout, is it likely you would resist the temptation to overspend and be able to manage the risk of mishandling the sum rather than taking the buyout in incremental payments? Trading monthly payments for a lump sum may mean less financial security because now the employee has to make the lump sum payment last for the long term.
 - Is there any flexibility in the timing of buyout payments?

Continued on page 16

- Share the following information that needs to be considered when making decisions to accept an early retirement buyout option.
 - The value of the pension paid at retirement age generally is higher than if the employee takes the option of payments that start today.
 - Employees should ask employers what happens if they say “no” — the company may be offering buyouts as a prelude to layoffs, which usually come with much less generous severance packages.
 - If there is no choice, an employee may want to negotiate terms like longer health care coverage or postponing the leave date for a few months.

- (Optional) Demonstrate how one of the following annuity benefit calculator tools provides an opportunity to see how much of a monthly benefit a lump sum buyout could provide:
 - www.immediateannuities.com
 - www.aarp.org/money/insurance/fixed_annuity_calculator/



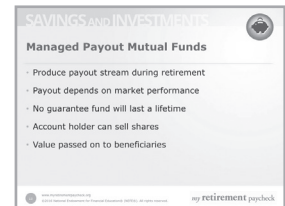
Slide 13 – Be Armed with Information

(Optional) Internet access

- Arrange participants to work in pairs for three minutes as they consider the following two scenarios to determine which person, if either, should take an early retirement buyout package.

Case Study Scenarios: Both Marie and Joe are 62 years old and have worked at their respective employers for the past 12 years. Both also have been offered early retirement packages as shown on the slide.

- Marie’s offer: Health insurance coverage will continue until Medicare-eligible at age 65; lump sum payout equal to three months of salary; three additional years of work credited to her pension benefits, which will boost her monthly benefits from \$1,200 to \$1,350 starting the month after she leaves.
- Joe’s offer: Health insurance coverage will continue for six months; lump sum payout equal to one month of salary; lump-sum payment of \$110,000 in exchange for giving up \$1,100 in monthly pension benefits for life.



Slide 14 – Case Study: Buyout Package

- After asking participants who is getting the better deal, share that the answer, which is, as with most retirement decisions: it depends. Participants might pick Joe because the lump sum is bigger, but ask participants to consider the following:
 - Both annuity and lump sum payments are taxable, so the dollar amount someone is able to keep will be less.
 - A lump-sum of \$110,000 currently would buy an annuity that starts in three years but only pays \$700 a month.
 - Joe's health insurance for the next 2½ years may be pricey if he doesn't have coverage through a spouse.
 - The extra pension credits adding up to 15 years may make Marie eligible for a significantly higher monthly pension check for the rest of her life.
 - Spending habits matter. Recipients who are not careful money managers tend to overspend and run through large lump sums fairly quickly.
 - Health status matters. If Joe is in poor health and his relatives have only lived into their early 70's, he may net more overall by taking the lump sum.
 - Financial need matters. Some workers may have no choice but to select the option that pays the highest amount of current income with which to pay household expenses.
- Debrief by reviewing that all retirement decisions are interrelated and an early retirement severance package decision needs to include consideration of all components that impact the retirement paycheck.


- Share that up to this point the focus on when to stop working full time generally has been focused on the financial aspects. Since values also are a critical component of this decision, they need to be considered as well. Share some of the decisions that include a value component:
 - When to retire: “Life’s too short to work more than you need to” versus “My career is a big part of who I am.”
 - What to do in retirement: “I’d rather live on less and be free” versus “I have a lot of dreams to fulfill and that costs money.”
 - Where to retire: “I want to be close to my children or grandchildren” versus “I want to live in more than one location to maximize outdoor recreation passions.”

- Ask participants to reflect on what values are critical in their decision of when to stop working. Take a minute for participants to check in with their previous partners to share a must-have they already have identified that must be fulfilled before they can (or did) stop working full time.



Slide 15 – Your Values Matter

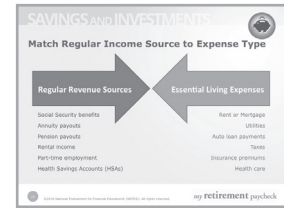
- Give examples on how to apply criteria when making decisions about pre- and post-retirement employment. Point out that so far in the workshop the participants have uncovered information to use when making a decision to stop working. Now they have the opportunity to draft a list of personal criteria to establish boundaries when comparing options related to a work situation.

 **ACTIVITY: Ask participants to reflect on what values are critical in their decision of when to stop working as they complete the When to Stop Working Criteria activity. Direct participants to record their must-have criteria and nice-to-have criteria, and encourage them to consider unacceptable criteria as well. Provide examples: A must-have for one person might be to own a home without a mortgage before retiring. A nice-to-have is a part-time job in a new field of interest. Unacceptable conditions are having to stay in a job that has a negative impact on health. Encourage people who are at the workshop with a partner to do this activity together. This activity will help them complete Action Plan Task #3.**

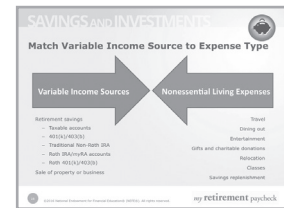
Activity: When to Stop Working Criteria

Action Plan: When to Stop Working (#3)

- ❑ **CHECK-IN QUIZ ACTIVITY: Display two or three questions. Ask individuals to silently reflect on whether the answers are “True” or “False.” Click to the next slide to show the answers.**



Slide 16 - Check-in Quiz

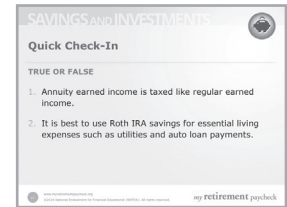


Slide 17 - Check-in Quiz (answers)

Topic C: Recognize common circumstances that may call for fallback work plans.
 25 minutes
 Critical

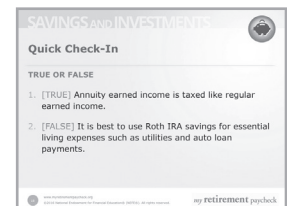
- ❑ Point out that circumstances most likely will change during retirement, so the next workshop segment will help participants recognize common types of situations that may call for fallback work plans. Arrange for participants to pair off and to briefly discuss examples of circumstantial triggers that may impact their work-related decisions or require a fallback plan to cover income gaps. Then invite participants to share with the group. Be sure that the participants have included the following situations in their verbal reports.
 - Health issues
 - Taking on caretaker duties for someone else
 - The economy and its effect on your region
 - Changes in the health of one’s company or industry
 - Changes in marital status
 - Changes in household (such as raising grandchildren)

- Share the following scenarios, and invite participants to suggest possible fallback options to fill gaps in income or insurance benefits.
 - Maxine is a 60-year-old bookkeeper who planned to work until age 68 to put more money away for retirement, but she was just laid off by her employer. Her backup plans could include the following: get a new full-time bookkeeping job, look for part-time or temporary bookkeeping work, take a class to learn how to use small business bookkeeping software and look for clients, and/or downsize to a smaller house and put some of the proceeds aside for living expenses.
 - Sam is a 66-year-old retired electrician whose troubled 13-year-old grandson is coming to live with him to get a fresh start. The problem is Sam didn't plan on having to take care of his grandson when he calculated how much money he needed to live on. Possible fallback options for Sam include: get a part-time job; advertise skills as an electrician to get local repair jobs; and/or ask his daughter to contribute some money to help defray some of his grandson's expenses.



Slide 18 – Case Study: Fallback Options

- Point out that returning to the workforce at times during retirement can be a potential course of action to fill gaps. Point out that an income gap isn't the only reason that retirees may return to the workforce. Sometimes people who have completely stopped working in retirement may choose to return to the workforce to reap some of the benefits of working that were mentioned earlier, such as more income, higher Social Security benefits if not already claimed, less need to use savings and assets, social interaction or passing skills on to a new generation of workers, or generally avoiding boredom.
- Share that there are cautions in returning to work as well:
 - A potential move to a higher tax bracket
 - Reduced monthly Social Security Benefits for those who have claimed prior to their full retirement age and are making more than the yearly earnings limit
 - Cost of training to update skills

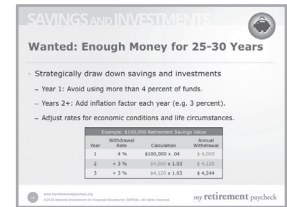


Slide 19 – Filling Gaps


- ❑ Share resources that could help participants if and when they consider returning to the workforce after retiring.
 - MyRetirementPaycheck.org provides tips and strategies to navigate crises during retirement. (www.myretirementpaycheck.org/navigating-retirement-crisis.aspx)
 - AARP has many tools and resources to assist in the world of work and jobs. Some topics found on their site include conducting a job search, working at 50+ and career change. (www.aarp.org/work)
 - Next Avenue provides many articles related to finding a job, career growth and education, and starting a new career. (www.nextavenue.org/channel/work-and-purpose)

- ❑ Remind participants that some employment-related decisions are irreversible. For example, annuity payments or employer buyout offers and lump sums cannot be renegotiated. Encourage participants to be deliberate in their decision making.

- ❑ Wrap up the segment by reminding participants that maintaining their professional network is one of the most reliable means of returning to work, so it is an advantage to stay in touch with colleagues after retirement. Stress the importance of carefully planning an exit from any job to maintain positive relations that may pay off later if seeking employment or recommendations.




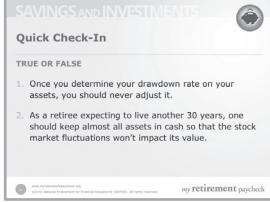
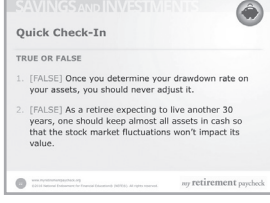
Slide 20 – Tips to Step Back into Workforce

 **ACTIVITY: Ask participants to capture the circumstances that they discussed earlier in this segment of the workshop on the Fallback Options activity. Have them brainstorm a list of fallback options to consider. Optional: Direct participants to work in small groups after they complete their worksheet to see if other participants can help supplement their ideas. This activity will help them complete Action Plan Task #4.**

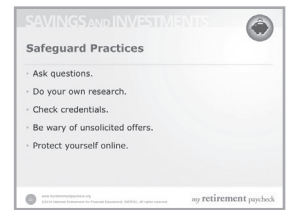
Activity: Fallback Options

Action Plan: When to Stop Working (#4)

- ❑ Begin to wrap up the workshop asking participants to reflect on what they learned about determining an optimal employment situation in preretirement, as well as ideas for working during retirement should the need arise. Ask if any have changed their mind compared to what they were planning prior to this workshop and why. Revisit the questions that participants wanted answered at beginning of workshop.

<p>Wrap up: Take Action 15 minutes</p>	
<ul style="list-style-type: none"> ❑ Transition into the Wrap Up for this workshop by reviewing what was covered. Reinforce that making decisions about when to stop working can have long-term impact for retirees, especially when there are no new sources of income. However, this is not the only issue that involves intentional decision making. Remind participants of the following points: <ul style="list-style-type: none"> — If possible, consider working until at least full retirement age. — Always evaluate the payoffs and trade-offs before making any work-related decisions. — Remember that situations may disrupt long-term retirement plans so predetermined fallback plans can help to stabilize the disruption. 	 <p>Slide 21 – Use Work to Your Advantage</p>
<ul style="list-style-type: none"> ❑ Point out that choosing to work or not work is only one of eight important retirement decisions (as presented in the slide). Explain that this one decision impacts several other decisions, including when to begin claiming Social Security benefits, how to utilize savings and investment funds and how to cover insurance needs. ❑ Suggest that participants look at www.MyRetirementPaycheck.org or other workshops in this series for more information about the other retirement decisions. 	 <p>Slide 22- My Retirement Paycheck</p>
<ul style="list-style-type: none"> ❑ Provide your contact information (if desired) so participants can follow up later with questions. ❑ Point out the list of resources provided in the Workshop Packet. Call attention to the following: <ul style="list-style-type: none"> — My Retirement Paycheck, www.myretirementpaycheck.org/when-retire.aspx — AARP, Work and Job: www.aarp.org/work — Department of Labor, Saving Matters: www.savingmatters.dol.gov/employees.html#7 — Next Avenue, Work and Purpose: www.nextavenue.org/channel/work-and-purpose/ 	 <p>Slide 23 - Resources</p>

- ❑ Encourage the participants to use what they have learned to complete the Action Plan. If feasible, arrange for participants to continue to work on their own or with your guidance after the workshop concludes. Provide Internet access in a lab setting so participants can utilize the insurance resource websites.



Slide 24 - Are You Ready?

Action Plan: When to Stop Working

Internet access