

Please note: This is a transcription so there may be slight grammatical errors.

Brian: Hello, everyone, and welcome to today's webinar presented by CAPTRUST Financial Advisors. I would now like to introduce Debra Gates, Manager, Advice and Wellness with the CAPTRUST Participant Advice team. Go ahead, Debra.

Debra Gates: Hello. Thank you so much for joining us today. Today, we are going to actually take this from a different perspective. We talk about retirement. Just to give you a brief overview, we talk about saving for your retirement, making sure that you have a financial plan, but today we want to just look at this from a different perspective. We want to look at from a different lens. We want to talk about preparing psychologically for retirement. So let's go to the next slide.

And you've gone through this session today. All of your lines are muted, and as Rachel noted, if you have any technical questions, put those in the control pane. And this session is being recorded. You'll receive a copy of this recording along with some different articles, anywhere from one to two business days, you should receive that shortly. And now the next slide, please, Rachel.

I also want to just give a disclaimer. Everyone's individual needs their goals are just as unique as you are planning for your retirement. As you will see as we go through this presentation today, that it's not a cookie cutter, so everyone is different. And how you retire, you're going to customize that to what your needs are and when you're planning for your retirement. And as you know at CAPTRUST, we are always here readily available to help you. And as we always say, you'll retire once, we retire every day. And so we have things in place to help you. And we help you with your financial goals, help you determine what those goals are, and we help you execute on those goals. So when you're looking at how you're going to invest your money, everything is different. Everyone is different. So what we don't do, we don't give any tax advice, any legal advice or any accounting advice, but anything about your investments, anything about your planning, please don't hesitate to reach out to us at our advice desk.

And as we go through this presentation, at the end, I'll give you all of that information on waste to contact us. So let's go to the next slide. So I am so excited today when we decided to do this presentation, to really look at it through a different [inaudible], the psychological or the emotional side of retirement because there is an emotional side. So we're starting this from looking at you have it set as to how much money you want to put aside, how much you're saving for your retirement that's in place. But there is another side, there's an emotional side of retirement that we want to speak about. And so we have two panelists here today. They're former CAPTRUST colleagues and they're recently retired. Phil has retired probably about 18 months ago. Mark is really new into this retirement and is probably about four months that he's been in retirement. And you can see their smiles and how happy they are, and following Phyllis on Facebook, and she's been to Italy and she's been here and she's been there. And Mark is getting ready to do some of those same things.

So I'm so glad that you said yes when I asked you to come back and just to shed some insight, your experiences, what you went through, what you're experiencing now, the emotional side of making that decision to make that transition now. So we want to get into that conversation, but first I just want to welcome you. So thank you so much for coming. So let's go to the next slide, Rachel.

So like I noted, we are going to take this from a different lens and everyone's retirement is different. Some people have some fears, some people might think about how they're going to use up their time. You may think about what are you going to do in your time of retirement, spending time with your grandchildren or spending time with family or if you're going to do a relocation, making decisions about it and actually, making that transition. Because remember, most of us have been working 20, 30 years and now you come to this point where you no longer have a set schedule. And even if you're working remote, you don't have this set schedule anymore. Now it's time to go into this next chapter of your life. And so once you retire, what do you do that very next day that you wake up? And sometimes this comes with a little bit of intimidation, sometimes there's a little bit of fear.

So I want to kind of gain the pulse of the audience today and kind of see where you are as it relates to thinking about retirement. Do you get anxiety when you even start thinking about retirement? And so this presentation is designed for anyone at any time in their career, whether you're early career, mid-career, you're close to your time of retirement, and some people that are on this call, you might be listening because you might have some experiences with your parents. Maybe you're helping your parents go through this transition or you're seeing them go through this transition or a family member. So there's still something here for you for that you can listen to and glean insight from as we go through this.

So let's go to this slide. I want to read the polling question first and then we're going to launch the poll. And then I want to get some information, some insight from you, Mark and Phyllis as well. So here's the question. What is the biggest non-financial concern you have when you think about retirement? Are you thinking about feeling bored, lack of a sense of purpose, you're thinking about how you're going to fill your day? And remember you've been working for a long time. And sometimes what do we do when we go out to events, people usually ask, what do you do? And you tell them. And sometimes you're so inextricably tied to what you do. It becomes a part of your identity. Is it a fear of isolation?

I think during COVID, I think people really appreciated how much they enjoyed their colleagues, the comradery in the office. So are you thinking about that, the isolation or the lack of office comradery? So we're going to launch this poll, Rachel, and as we're launching this poll, Phyllis and Mark, did you have any of those fears? Did you experience any of that when you were about to make that transition? Let's start with you, Phyllis.

Phyllis Klein: Yes, yes, yes, yes and yes. No, I think all of these at some point in time were ... and maybe still are actually, even though I've been retired now for as you said about 18 months, there are times when I still think about like, okay, am I going to get bored? What have I really accomplished today? Obviously, I was very excited to come back and do this. So that whole camaraderie of people I worked with for years, it was an opportunity to reconnect with some of those. So I think everybody feels a little bit of this. I just think some things rise to the top more readily with regard to any kind of change. And I think there's a lot I can personally say. I thought I planned pretty well, but I was still really nervous about leaving the workforce.

Debra Gates: How about you, Mark?

Mark Davis: I think it is funny. All of the above. We should have another button there for all of the above. And it's true, after 35-plus years in the retirement business, the cobbler's children have no shoes. It's really easy for me to talk to you about your retirement. It was really whoops to talk about my own. It's funny when it gets personal and all these things are potentially true that you have enumerated here.

Debra Gates: Absolutely. So let's see what our audience is saying if you can onto that. Yeah, so it's a big thing. It's a real thing, that lack of a sense of purpose. Are you surprised by any of these? I know you're not. I'm certainly not surprised by any of them when we're looking at people in their time of retirement. And so in my research and looking at various surveys and looking at various studies, that was the number one, the lack of a sense of purpose. And so we're going to talk about what that sometimes leads to when you're looking at some of these lack of a sense of purpose when you're looking at attachment to work identity. And sometimes it leads into going back into the workforce in which we'll speak about. Thank you so much everyone for giving those responses. So let's dive in.

Go to the next slide, please, please, Rachel. So I want to talk about the types of retirement. I want to pose some questions to you, Mark, Phyllis. And I just want to kind of want to give an overview of broad definition. When we're looking at traditional retirement, someone who's gone through their career, they make that decision to retire. They retire, they retire completely. The phased retirement is more looking at, you kind of do it in phases. Maybe you're working and maybe you reduce your hours over time. Or if you are in an office, maybe you decide to start working remote and just kind of getting used to it. Or you take your schedule down to two or three days a week. So it's you're phasing into that retirement.

The other is forced retirement. I have some friends who had planned to retire in the next five years or so, but because of a reorganization, their position was eliminated and they had the means to retire. They were really just kind of biding out their time. And so they were more forced into their retirement. And it was circumstances beyond their control, not thinking about where you're getting fired, but where you are being ... something happened, the company relocated

to another place and you didn't want to go to that. You didn't want to start over. And I think that was her thing. They were going to move back east. She had just moved from back east and they were going back, and she just didn't want to do that. So she was kind of forced in retirement.

And then, of course, the non-traditional where you go into retirement and then you come out. So there are all of these different ways. So I want to look at these from various perspectives with Phyllis, with retiring, being single, being widowed as opposed to Mark: Mark retiring with his wife as a couple. That's two people that you have to consider in making decisions. So let's kind of toss this around and let's start with you Phyllis, as to where you fall in this, and give us some comment and something that would be helpful to the people that are listening to this call.

Phyllis Klein:

So I think at first I would look at this as I was a very traditional, and I know we talked in prep about COVID and the pandemic and things like that. And I do think that for me at least, that did have some impact on the timing of ... When I retired, I personally shared just that. I accelerated my timeline because of the pandemic and only because of my personal choices. But I probably would've worked maybe one more year longer than I actually did. I was fortunate I could retire a little bit early. It wasn't years and years early. I don't know, you're supposed to talk about your age, but I'm 65, so it's not like I retired when I was 50.

Now I know I don't look as old as Mark, but just saying. [inaudible]. But I did. I had given a lot of thought to when I wanted to retire. I think that's the thing people grasp on, okay, when am I going to do this? And then once I came up with the when, then I was like, okay, how am I going to do this, what impact is it going to have, am I going to stay at that time in North Carolina? We're going to talk a little bit about relocation thoughts later, but I definitely had to put a plan in place.

At least I thought I had a plan. I'll just tell you now, no matter how well you plan, it gets off the rails pretty quickly. But I wasn't planning ... I was actually not planning to continue to work in any capacity. And even though I had a very traditional plan in place, I actually did end up working a little while doing some consulting for CAPTRUST as I helped them negotiate post my retirement and filling positions and some institutional knowledge that I had that many people have in their jobs.

No matter what you do, if you've been doing something a long time, there's lots of things you carry up here that you don't necessarily have in a digital document somewhere that somebody can refer to. So I think thinking about those types of things we're important to me. Definitely nervous, very nervous. What was I going to do? I think Mark said it. What did I do day one, how is that going to look. I thought a lot about, oh, I'm going to work out all the time. Well, I can just vow for that. That didn't happen. But I do think it's a little ... and being single, the socialization was a big fear for me. How was I going to maintain contact with

people, whether it was work, people, friends. Sometimes when you're a little ahead of the ball, your other friends aren't retired, so you're just like, okay, who am I going to? Do I have anybody else I could go do something with? So those were kind of things that I thought a lot about as I got ready.

Debra Gates: Mark.

Mark Davis: Yeah, mine was a little different. I'll start, and I know you'll agree with me, Phyllis and Debra as well. We were blessed to work for a company that enabled us to talk about this and think about this and plan for it and generous contract as the company's made to our retirement accounts and so forth. So you start with that, being in a position where I'm thankful for it. My retirement is a little bit different. I was responsible for a book of business at CAPTRUST and I had to transition that over time to other people. So I really planned the work and worked the plan was a big deal for me. I actually formally retired about four months ago, but I began the process three years ago, and figuring out who was going to take over my client responsibilities and then managing that through.

So it took a lot of time in advance and I would encourage anybody thinking about it to think things through and plan it as best you can. But as Phyllis says, hold it really loosely because you're going to plan a bunch of stuff that you can't plan for. COVID obviously threw big curve balls to lots of us, but you do want to think it through. It's a wonderful thing when you can be somewhat in control of your destiny here, and it's a drag and or those people who are in forced retirement situations can testify. It's a drag when something happens that makes you have to do things. You can only control what you can control, but it's a good thing to think it through best you can.

Debra Gates: So tell me about this process of how did you plan emotionally for retirement? So you were pretty set financially ...

Debra Gates: So you were pretty set financially knowing that going through this transition, you had your ups and your downs, but how did you really mentally prepare? Is there a process that you went through? Are there steps that you were taking? Or did it just just happen organically or just fall together? So how did you do that?

Mark Davis: Phyllis?

Phyllis Klein: For me, I think it was organic, but I gave myself a very long runway, so I didn't decide I'm quitting my job in two weeks, I'm retiring. I actually started thinking about this probably at least 12 months before I retired definitely. I thought about it just from how a lot of things about how I lived my life at that point and how I thought I wanted to maybe live my life going forward and what opportunities might be available to me, whether it was socially, whether it was volunteering, whether it was being active. How was I going to fill that day? I think on the survey, I think the one that got the most votes was about having a

purpose. I went to something and one of the speakers said, "We all used to be somebody important."

We all have jobs, we all strive to do our jobs well. I don't care what your job is. You probably go to work most days wanting to do a good job, wanting to help your business, your institution, whatever it is that you are working for. And you're usually recognized for that in some way, shape, or form. And so now when you aren't going to get that same recognition, you have to find a way to create it or decide that maybe that wasn't the most important thing for you, but that's a big hurdle.

It's like, "Okay, who's going to know I'm doing something really good today?" And we need that. We need that feedback, we need that self-actualization, I think, and we want to feel good about what we're doing. And sometimes in my case, like I said, I'm single, so there's really nobody around to see me do, to bake that perfect loaf of bread, whatever it was that I decided I was going to do that day. And I think that doesn't go away. I think that's a reoccurring theme for me all the time. So I don't know, Mark, what you see on your side.

Mark Davis:

Yeah, the whole process was more emotional, Deborah, than I was ready for it to be and I can be an emotional person, so it probably shouldn't be surprising. But I thought I'd had boxes checked and after 35 years of talking about this stuff, I figured I knew where the speed bumps were going to be and where the issues were going to be. But again, it's really easy when it's somebody else's life. It's really hard when it's yours. I think that I may also be the only egotist here, but I remember being a kid and being sick from school for a week and going back the next day and I'm thinking, wait, it went on without me? You mean you all had school? But I wasn't here. How could you do that? The same thing happens in retirement on steroids, and part of my phased retirement was interesting.

I was still very much an employee of CAPTRUST for the first two years of my phasing, but on date certain and April 2nd of this year, I dropped off the face of the earth. No more Outlook, no more Teams, no more any of those things. All of which, by the way, are wonderful. I'm glad to not have any of those things, but all of a sudden you're not in the know. You don't know what's going on. You can't get emails. All the stuff you take for granted when you're part of the lifeblood of an organization will go away, boom, overnight, and that has some emotional response.

I had an emotional response to that that I didn't know it was going to happen that way. I hadn't thought it through, but that was real and I think you have to give yourself permission to do that. As far as purpose, the only comment I'd give, again, this is a function of the blessing that we have in the situation we have with our particular organization, but I was really afraid of myself just doing stuff for the sake of doing stuff because I didn't want to be... I'm so used to being busy and I'm so used to striving and I'm so used to... I was afraid of an absence of purpose. But quite consciously, my wife and I have tried to take what

we're talking about is a year of sabbatical, trying to take some time to not make decisions for the sake of decisions, not doing things because that's the way we've always done them.

But to suddenly start and go, okay, we've got a new period of life ahead of us. Could be a week, could be a year, it could be 30 years, let's choose what we do. And trying to take control and agency back on that so that we're sure as we go forward that we're doing what we want to do, not just what we were set up to do or what we thought we should do or all that stuff. I would encourage people to do that, if you can, the agency, the taking control of your own destinies. It feels pretty good. It can be scary. You're still lonely, you still have all those other issues. Now you've got to solve them instead of some outside service or force doing it for you. But remember that you have some choice in these things and it's important to choose consciously.

Phyllis Klein: I would just chime in that on the opposite end of that, I think you also, if you're a person who's like go, go, go, type A personality, you have to give yourself permission to do nothing sometimes.

Mark Davis: You do.

Phyllis Klein: And that's also a really interesting dynamic where you feel a little guilty, because you're so used to performing on a regular basis in your job, whatever it is. And then you sometimes do... It sounds like, oh yeah, I would love to just kick back. But you find at times it's like I just have to say it's okay that I've binge-watched something on Netflix and I picked my house up today. That's all I did. So I feel like you got to get comfortable that every moment is not going to be exciting. Every moment's not a trip somewhere. There's going to be boredom, and how you choose to attack that boredom really I think is something you want to think about ahead of time a little bit. It's hard to do that ahead of time, but I do think you want to recognize that it's okay that you might be bored sometimes, that that's all right.

Mark Davis: I had to give myself permission to read fiction again. I was an English major and I was in the arts business for 10 years when I got out of college, but when I got into the business I was in, I felt so focused. I had to always learn. Everything I read had to be nonfiction, business promoting, had to get smarter, had to get better, had to do this. And all of a sudden just sitting down and reading fiction again after I retired was a major revelation to me. Sounds silly, but it was.

Debra Gates: Yeah, and I think that these thoughts and thinking about the emotional side, it could start as early as when you're mid-career in your thirties, in your forties. You want to start thinking about that. You don't want to wait until you're at your time of retirement to start thinking about that transition and the emotional side. I think it could make it a little bit more palatable, a little bit easier to embrace if you think about that along the way, as you're thinking about putting money aside for your retirement, as you're thinking about your financial plan. Start thinking about your next chapter and what you want to do

and how you want to spend the rest of your life and how you want to work on that journey.

So let's move over to looking at the next slide, please, and looking at this non-traditional. So I was reading through an article and there was a study. Can I get the next slide, Rachel? There was an article, a study that I looked at and it was about people that ended up going back to work. So they did the study, they looked at folks that had been in retirement like six years and it was about 930 people that they talked to. And one of the people said... It's kind of like what you were speaking to Mark. He said, "My hobbies were investments. I enjoyed looking at investments, I enjoyed giving investment advice. I enjoyed all of that. And so I didn't cultivate any other hobbies because that is what I loved to do. It was my natural habitat. I felt comfortable with that. So I didn't take up golfing, I didn't take up fishing, I didn't take up pickle ball, I didn't do tennis, I didn't do any of those things." So when he stopped working and went into retirement, he had nothing.

So he ended up going back into work and that became that term, the ex-retiree, that that was his life. And so he'll continue doing that, maybe not at the same scale, but at a point where it may be coming in to work and help out, or sometimes you go back as a consultant and then there are some people that work part-time. So you really want to think about what are those hobbies, some of the things that you're passionate about and what you want to do. And sometimes you might have a career that is such a niche that maybe, like you did, Phyllis, that you needed to come back because you had so much information in your head that was not on paper that you needed to come back and you could consult and help with that.

So tell me about your thoughts about that. And I think it's really a basis of giving people permission to retire the way that they want. It's not a cookie cutter and if it necessitates you going back to work because it's too much for you to bear, then that's okay too.

Phyllis Klein:

That's what I was going to say. I would say there's people who will never retire and for a lot of reasons. Hopefully it's because they choose not to, but because that is... They enjoy doing and what they enjoy doing is very tied to their work life or some aspect of it. Or even now with the ex-retirees, sometimes I think people go back to what they were good at, but they're also all of this, "Hey, I really like baking, so I'm going to go and start a bakery." They still tie their day-to-day activities to something that maybe will either continue to provide them with income or things like that. But it's been interesting because many of my friends we're all in the time right now where we're all talking about retirement and I would say talk to people about it. Talk to your friends, see what they were doing, or your spouse or your partner or whoever is your family, if that's what it is. And all of them are doing all of these things.

Some haven't retired but are already planning their part-time job because they're just like, "I need something to do." And like I said, I went back and just

did a little consulting. I have a friend who's like, "I just can't take it in retirement anymore. I don't like being retired. It's not for me." Then you can go back and potentially you might be able to... My sister who was a school teacher who retired during Covid because, let's face it, when you teach four year old kindergartners over a Zoom call, ain't easy. So she ended up retiring and now she substitute teaches like two, three days a week and she's like, "Yeah, well, I have a little more control over it."

And so I do think retirement is going to look different for everybody. There's no, I think you said cookie cutter. There's no magic bullet. It's just you have to think through what you like, but know that there's avenues for you too.

Mark Davis:

Yeah, I laughed. There's some... I won't mention it, I think I know the name, but healthcare company out there has funny commercials of I think it's gals in an aqua aerobics class. And then they stop the class and one of them says, "Why is it they always picture retired people as being in a swimming pool and doing aqua aerobics?" I feel like everything I see is I'm supposed to be on a golf course or on a sailboat or at the Parthenon or something. There's so many preconceptions in the media and all businesses make generalizations about us and making sure it's personal and something you want to do is critical. Don't get forced into somebody else's box of what a retiree looks like.

But also, the only other thing I'd say on this, Deborah, and I'm thankful I don't work consciously in any of these non-traditional senses, but I'm scared of time. When you mentioned, what are you worried about? My father retired when he was 60 years old and my mother decided she was a professional volunteer and a very talented woman, but she decided it wasn't quite time for her yet. She had some obligations that she was committed to and that was awesome. She thought, okay, we'll wait for a few years and then we'll travel. Well, then my dad died and they never got to do the things they wanted to do. So I think, yeah, you have these urges to keep working and self-identity, but don't necessarily assume that you'll always have the opportunities to do the other things.

I had a wise counselor use a phrase to me that I'm sure a lot of you have heard, retirement has three phases: go go, slow go, and no go. Go go, the period when you can actually do some of the stuff you want to do if you're blessed with physical health to do it. Slow go, you can still do some stuff, but you want to go slower. But there may be a period of time where you can't go anywhere. So for instance, we're trying to define retirement in our family as doing the things we want to do now while we still have a chance. My wife is a cancer survivor, so we don't take it for granted. We find the things you want to make sure you do and get on with them.

Debra Gates:

Absolutely. Okay, so I know that we are running up against time, but I do want to spend a nice portion of time on this next slide. Can we go to the next slide, Rachel? And I know that people are wanting to know about healthcare, and during our prep session we had extensive conversation about this. And so what I want to say before I lead into this slide is-

Mark Davis: These people clearly use their own wealth. I like the graphic. I think people clearly haven't encountered the Medicare system themselves.

Debra Gates: So when you think about you've been working for 20, 30, 40, sometimes 45 plus years and around open enrollment and for most is somewhere around maybe October, November, you get this booklet, you check a box. More times than not you say, "Give me what I had last year." Unless, of course, you've had some life-changing events like you've gotten married or you had a baby, you have mother dependent, and that's probably the extent of making your changes. Or if you decide you want an HMO or a PPO. But when you get to this point where you are retiring and you have choices that you have to make, can you just tell us about that experience?

Phyllis Klein: I'll let Mark go first.

Mark Davis: Well, I am personally using a COBRA.

Mark Davis: Well, I'm actually still, I am personally using a COBRA employee benefit provided by my company that I pay for, but my wife who is over 65 has been moved to Medicare now. I went through that process, and I'll be honest with you, I found it horrible. I've spent my life filling out forms and helping people do things for 35 years in the retirement system thinking, oh, this is unnecessarily complicated. Well, that's a walk in the park compared to Medicare.

Medicare, give yourself time to make these decisions. They're big. They can only be remade periodically. And I think particularly if English is not your first language, if you didn't spend your career working with insurance forms and those sorts of things, get help. You have to have help to make these decisions. I know the government has people you can call who can walk you through. And it's sort of ironic, CAPTRUST, those of you who are on this call, you're a client of our company and it's something we pride ourselves is independent advice. We don't get paid by the things that we advise our clients to use. We get paid by our clients. Medicare is a system where the advisors get paid by the products that they sell you. But by gosh, what an important purpose. I did it for myself, for my wife. And boy when next year comes around, I will not do that again. I will have somebody help because it's a generous system. There's lots that's great about it and we should be thankful for it, but it's hard making those choices.

Phyllis Klein: Yeah. And I think, so I took a different track than Mark. I went straight to a consultant. Because they send you a book about this thick and like Mark, I spent my entire career really neck deep in retirement plans and the minutiae and the regulations. And I got the Medicare book and I was like, "Oh my god."

Mark Davis: It's worse.

Phyllis Klein: And as we were talking about this, healthcare is always a big deal. And even though no matter when you retire, so if you think you want to retire early, then

you may not even be eligible for Medicare for some period of time. If you're waiting until 65 when you're eligible for Medicare, then you have to go through this process of signing up. And Mark laughed because I was like, oh, I'll be honest, I thought I knew a lot and I found out just how much I didn't know. And these are such important decisions because your decision you make when you enter the Medicare system can impact you for the rest of your life while you take healthcare. There's a couple of paths and one path you can never get off and one path you can at some point get off and get on the other path. And I didn't understand that. I can't answer your Medicare questions, but I will tell you, think about it, use the medicare.gov. There's a lot of good information out there.

And again, this was a word of mouth thing. I talked to somebody who was a consultant. I referred a friend, another friend talked to another consultant, she referred them to another friend. But things that they will go through in particular is if you are a prescription drug user and what prescription drugs you use, this is really important when it comes to Medicare because different plans have different costs and cover different things. And so I did not in my wildest dreams realize it would be quite as complicated as it was, and I don't have a lot of medical things. So I'm thinking somebody who's maybe you're taking a bunch of different prescriptions for various things, you want to make sure you're in a plan where your drug plan covers that stuff or understanding what it's going to cost you. So we did say this. We did ask to add this because we both were like, "Oh my god, can you believe Medicare?"

Mark Davis: It's great when you have it. Yeah. My wife's on it now. Yeah.

Phyllis Klein: ... Important part of the overall. So even if it's not you, if your parents are getting ready to retire or you could hear the conversation come up, there are people out there, they do this, they don't cost you anything. I think that's the other important... They are paid by the insurance companies. And this varies state to state to state. So Mark is in California, I spend time in Wisconsin. Deborah, you're out in California too. And what's available to you in your various states differs also via the Medicare advantage and the supplemental programs. So I am a firm believer in the consultants. They'll take you through the process, they'll answer questions and they will really educate you, at least mine did, in very simple terms, which is what I needed.

Mark Davis: Yeah. And just to be clear, Medicare is an awesome system. We've all paid into it. [inaudible] I'm not being critical of the benefit. But getting to use it and how to figure out how it fits you is much more complicated than I was ready for.

Phyllis Klein: Yeah.

Debra Gates: Yeah. And I think it's great to have a consultant because there's some things that you might not think about that that consultant will ask questions about. So for example, let's say if you decide to travel, will that cover you when you travel? What do you do when you travel? As Phyllis said, if you're on a particular

drug, is that on the formulary to be covered by that particular thing? What about if you travel outside of the country? And there are some people that maybe you have a place that you're in New York and the summer and you're in Florida in the winter months. So you have to think about that if you are living in two different locations. So there's so many things that we don't think about on a regular basis and that we've never had to think about, are those things that a consultant, someone can help you with making those decisions.

So thank you so much for that information. It's great to know that there is someone there to help you. And the website with Medicare has become a lot more user-friendly where you can get information, you can get answers from. But when you're looking at these decisions, these are emotional decisions that you need to make as to what you're going to choose when you're thinking about your health. When you think about your health, that brings up emotions in and of itself. So now having to make a decision about how am I going to handle this health issue, it kind of compounds this on top of that. So we definitely wanted to spend some time talking about Medicare.

And then let's go to the next slide. The other thing that comes up a lot when you're deciding to retire is you think about where do you want to live or are you going to stay in your current dwelling? Are you going to downsize? Is your place going to be the place where everybody convenes or are you going to stay here? Are you going to move somewhere else? And so tell me about that, because Phyllis, I know that when you retired, you moved from one area to the other and I remember you going through that process. And so can you tell us about that?

Phyllis Klein:

Yeah. So I think it's, in my case, I think I'm very happy with where I ended up, but I jammed a lot of big decisions into a short period of time, which I don't know if that's a good thing or a bad thing. It was extremely stressful. I was retiring, I was leaving North Carolina and moving. I was selling a property in one place and trying to buy, and it was really stressful. Now, that was my choices, I wanted to be back closer to my family members. I come from a big family and so not everybody moves that quickly. But I do think if you're thinking about relocation, things change. That was a year and a half ago.

The housing market was still pretty booming along, not bad, at least here in North Carolina it was. Interest rates were still low. There's been a huge shift in that in 18 months. Real estate, and depending on the part of the country you're in, real estate's kind of settled down. Obviously mortgage and interest rates have gone up. So if you're thinking of selling and buying, downsizing, do you need a mortgage? Don't you need a mortgage? How does that work?

But I just think that it's like I would warn against huge, huge changes jammed into a small period of time. I just would say lessons learned from me, extremely, extremely stressful from the standpoint of trying to think I could do all of this at once. I was going back to a place I was familiar with. I hadn't lived there in 20 years, but I was familiar. My family was still there. I grew up there, which I think,

in and of itself, took a little bit of the mystery out of it. But if you're saying, "Well, I want to move from North Carolina to Tennessee because Tennessee doesn't have any state income tax, I don't really know anybody in Tennessee." I think that's another whole socialization issue. But think about how willing you are to... My brother-in-law always says it's hard to make new old friends. And we're not young anymore. And so thinking about that whole socialization I think is also important. Is that important to you? Are you following family members maybe of kids, grandkids, things like that? I don't know. And Mark, I know you've looked at some other things also.

Mark Davis: Well, I think it is something to be considered, and especially in the United States where we have different state tax situations. And given the way the tax code works right now, your state taxes are not deductible except up to a certain limit on the federal basis. Makes cost of living decisions harder. I was always, my kids would laugh, a little bit, self-righteous maybe a lot, and saying I was never going to choose where I live based on taxes. I want to be where I want to be. Then all of a sudden you go to retire and you look and go, "Holy cow, this is the cost of living in California if I stay here versus here's the cost of living in, you mentioned Tennessee, but maybe Nevada or somewhere else with zero income tax." There's a significant cost difference, and you have to be conscious about that.

I think my wife and I are still in the process of trying to decide, okay, are we willing to rip up old friendships? Are we willing to rip up and go start somewhere new simply to save some money on state taxes? That's an issue. And each one of us is going to make a different decision about that. But it's important to consider it and to define who you are with that choice. I don't have an answer for us on it yet, but it's a big deal and you need to think it through. I was not as prepared for that, the emotion of that decision. Who am I? Am I a person who moves states simply because of taxes? I probably would have told you no. But now that it's a real decision for us, it may be different.

Debra Gates: Wow, that is a lot to consider, a lot to digest. So I want to leave some time for some questions, and so can we go to the next slide? I just want to give a couple of key takeaways, and I wanted you to talk a little bit about these takeaways that you can go with. We don't have all of the answers. I just wanted to bring someone on that had the experience. And so one of the key takeaways is, I think we talked about have a plan, hold it loosely, leverage help and then you know can always call CAPTRUST. And so talk a little bit about that hold it loosely for me, Phyllis.

Phyllis Klein: Well, I tend to be kind of a planner. Anyone who knows me well knows that. And so I definitely had a plan, as I said. Maybe it was aggressive, I'm going to retire on this date. I looked at a lot of things going into that with regard to where I wanted to live, how I wanted to live, who I wanted to be near. But I would tell you that again, it's like, oh, great, I'm going back to where all my family is. Well guess what? My family's still working. Oh, well I'm here. So I had to make sure that I did some things to... One of the things I found, again, because I am single because of my situation, was that I had to actually, I don't

want to call it work, but I do think of it as work. I took it upon myself to make sure that I made myself available to people and that I didn't sit and wait for the phone to ring. I actively reached out to people, "Oh, do you want to go to this art fair? Do you want to go see this?"

And I do think that especially if maybe if you are single or on your own, you might want to make sure that you think about that definitely you have to actively take a role in some of that.

Mark Davis: Yeah, no question that that's true. The other thing about hold it loosely, and this goes to something we talked about earlier. We were at the beginning of our retirement phase, my wife and I, and I mentioned that we're trying to take a period before we make huge decisions of what we're going to do. But we also hit a situation where one of our children had a very significant medical need. So for instance, my wife is not here right now. She's in San Diego taking care of a child, not something we planned on, not something we were thinking about, but ooh, big event happened. That throws a monkey wrench into the timing of some things we're trying to do. So you just have to be aware that life is going to throw you curve balls. So whatever plans you make, you have to be willing to flex. You have to know that we're not always in control.

Debra Gates: Absolutely.

Phyllis Klein: I was going to say, I noticed Mark hasn't mentioned how he tried to help his wife become more efficient at home.

Mark Davis: Yeah. Well, if I turn the camera around, I could take you to our pantry where I made some suggestions. Bad news. I was one of those husbands who decided he could help my wife improve what she'd been doing quite well for 40 years, 35 years. And that was a bad idea.

Phyllis Klein: Yeah, I think when you retire, one of the things I was nervous about, what would my routine look like? Would I just not know what to do? And I do think that even though you have a routine, especially if you have a partner, that you have to remember, they have a routine too. And their routine and your routine probably don't jive right at the beginning. So I think that you really do have to think about, I can't force my routine on my partner and vice versa, because I think that's just going to blow up really quickly. And Mark did have us laughing about his reorganization skills.

Mark Davis: Yeah. Then that goes back to the planning thing though. I mean, if you're in a relationship, you have a partner or spouse, we've got plenty of time to think this out. There's no excuse for being surprised by the fact that there are two of you in the relationship and you have to figure these things out. It's important to talk about it and be respectful. Right.

Debra Gates: So let's see. So Brian, I know that you had...

Debra Gates: So, let's see. So Brian, I know that you have been looking at the chat. I've seen the little icon pop up. Let's go to the next slide, Rachel. So I want to see what questions do you have that you want to pose to both Mark and Phyllis?

Brian: Thanks, Debra. Mark and Phyllis, it's been great hearing your stories and sharing of your information. And of course we have a lot of questions coming in, a lot of comments, and they're broad. They're hitting a number of the different topics that we touched on, and one of them was just where you just ended, when you have a spouse or a partner who's not on the same page. Right? So, what do you do? Is there a practice retirement routine you might explore with some vacation time or as you transition in retirement? Any thoughts around how to help that work more positively?

Mark Davis: I'm sure there are good books out there and courses with YouTube and so forth, resources that you can avail yourselves of. I'm not familiar with them. My biggest thing is that you'd not be surprised by it. Plan for it, think about it in advance. It's not one of those... There's some things in life that'll blow up and you, "Oh, I didn't see that coming." If you're retiring and you're in a relationship, then you have no excuse, but to see that you're both going to be in this situation. So talk it through, and make sure that you give validity to the other person's needs, not just yours.

But I think also, I'll circle back to what I said a while ago about my parents. My parents were out of sync and it costs them. They never got to do the post-retirement travel they wanted to do. My wife and I, obviously that's something that's part of me now, so it's been part of what my wife and I have talked a lot through. So, we were quite conscious about giving things up at the same time. It was hard. A lot of stuff she was very capable, very involved, and giving things up at the same time as I chose to retire. But it took talking through and thinking through and spending a lot of time to get ready for. There's no excuse to be surprised by those kinds of things.

Phyllis Klein: Yeah, I think even something as simple exercise is just each partner just sit down and write out, what do you want retirement to look like? And then you can kind of compare and come to at least some consensus or at least you can either discover if you are very far apart, if you're, I want to spend all my time with my grandchildren. That's what I like to do. I want to help my kids. Oh, I wanted to visit every national park. Maybe we take those grandkids with. Who knows? But I think that's one thing that would be helpful. Don't wait until you retire to figure out what that routine might look like.

Mark Davis: Correct.

Brian: Yeah, that's great advice. And along those similar lines, a lot of the themes were around how you early started off about the purpose driven, how to help somebody find purpose. And whether that's the type A personality who's been working, go, go, go their whole life, and now there's a transition. So, any

thoughts around or resources to point people towards when they are actively wanting to do the right thing? How can they try to help find that?

Mark Davis: Phyllis?

Phyllis Klein: I'm going to chime in a little and I'm going to do this more from the volunteering standpoint. Because my job, while I had it, did not allow me to do that type of giving back. I had a very unpredictable schedule, so it wasn't like I could commit to every Tuesday going to the Boys and Girls Club to help with afterschool program. But I will say that once I retired, now the world was my oyster and it was like, "How do I pick what I want to give my time to?"

So, I started just by either people who I knew who were involved with some organization, nonprofits. Every nonprofit needs help, I don't care who they are. But it was a little bit difficult, I would say, for me to narrow it down. So I had to really sit back and think like, "Okay, what do I want to do?" I'm a big believer that everybody should have food. I mean, this is America. We should all have food. So I really had to narrow it down to go like, "Okay, how can I do something that will get food to..." I ended up with food for the homeless, but people can go in any direction.

But I do think there's all of a sudden, you have a lot to choose. So you have to sort of mentally decide either what are your values, where are you comfortable? But I do think there's a multitude and there is no greater purpose you'll find than helping other people. It's a different thing than maybe what it was in your jobs. And maybe for some of your jobs, some of the folks here work in those kinds of fields. But for me, that was something that helped me with finding some purpose.

Mark Davis: Yeah, I don't even... I can add much to that, Phyllis. It's really well put. I just think, again, this is something in the situation, when you're in a relationship, make sure you do those things together. They don't need to be the same choices. I might choose to do this and my partner might choose to do that. But we ought to talk about it and be conscious of it and be grace filled in allowing each person to participate in a different way. But to me, the focus off yourself and giving back to the community is huge. I mean, that's just wonderful to have that opportunity.

Phyllis Klein: Or even family. Maybe it's you decide to babysit your grandkids one day a week-

Mark Davis: That's right.

Phyllis Klein: ... so they don't have to be in daycare or something. I don't know. Yeah.

Mark Davis: Yeah.

Debra Gates: And I'd like to chime in on that. I think you've been working for as long as you've been working, that skillset that you have, your strengths, they don't just go away. You kind of start from there, and what are your strengths? And that if you're a great communicator or if you're an engineer, where you're really great at math, you're really great at fixing things. Maybe you're great at building things, so maybe you go and you help at a trade school or you tutor, or you do some of those things.

So, it doesn't mean that you forget everything that you've learned. All of that that you've learned will help you on the next leg of your journey. So I would suggest starting there, the purpose that you have, and kind of build out from that. And find volunteering opportunities or nonprofits, because you're always needed. You're always needed.

Phyllis Klein: Or even work. Maybe it's another job, maybe it's a side gig.

Mark Davis: [inaudible].

Phyllis Klein: I don't know.

Brian: Well, so speaking of money and retirement, so we had a number of questions all leaning around the same area on, decumulation. You've spent your lives building your savings. It's what we do here at CAPTRUST, helping people save and prepare for retirement. And now it comes time to start spending the savings. So from a couple perspectives I was getting, one is the psychology of spending down after you've been saving. That part of it, was there any challenges for either of you in your different situations?

And the other is what about the... Let's say there's a dynamic of a spouse or partner. And it's, again, a little different idea. So it's preparing that conversation, but it mainly is around the spending down of the assets.

Mark Davis: Phyllis?

Phyllis Klein: Throwing me out. So, here's where I held it loosely on my budget. So before I retired, I really did do some hard look at budgeting to just see kind of what I was spending where. And I will tell you that I said, loosely, but I do think a budget is helpful. At a minimum, just gathering what's going out, and then looking at whether it's if you're getting some social security, a pension, if you have to start to draw down retirement. Obviously, you want to give it a lot of thought. We came out of a tough year, a year ago, if you were looking at investments and investment returns and losses. So, that can be a little scary too of like, "Oh my God, my account went down and now I can't take as much."

But I would say that from the standpoint of drawing it down, I think everything I've read and I spent my entire career in this area, is that we're afraid to spend that down. And I would say we all are. We're still afraid to spend it down

because we don't know how long we have to spend it for. So I think starting with just a simple budget, understanding what you have. For me, that was where I started just to see. And then I realized I would be okay, unless I did something really stupid. But I'm not buying that Maserati. That'll never be in my garage. So as long as I live within my means that I've established, I think that's how I approached it.

Mark Davis:

Yeah, the only thing I'd add to that's kind of going back to what we were joking about with Medicare. And obviously you see nice CAPTRUST logos on my colleagues' screens here. And even though you don't see one on mine, I'm still very proud of my time with the company and a shareholder in the company. Get help, get somebody. People have been through this before. There are certain paths that can be followed, there are experts who can help you. And that's what our team in Raleigh and all around the country does, is help people go through this.

One of the things that, and I have friends who were in this situation, and they pretend that's the first time this has happened. This has never happened to us. How do I do? There are lots of people who've been through what you and I are going through. And there collective wisdom can be leveraged to your benefit, if you work with somebody who can help you do it. And that's a big part of what our company can do. Don't go through it alone. Talk to somebody who can help you establish a budget.

I'm a Quicken junkie. I guess that seems old-fashioned to young people. But I download every transaction every day and my Quicken, so I see my money every day. I know exactly where it is every day, and I work with a couple of professionals to help me figure out how to handle it. But get help. That's the biggest answer. Get help.

Phyllis Klein:

Yeah. I mean, I still call my CAPTRUST cohort.

Mark Davis:

True.

Debra Gates:

Absolutely. Oh, my gosh. Thank you so much. Let's go into that next slide, Rachel.

So, did you have other questions? Brian, I think this, as we're getting close to the end and you have questions, things are on your mind, remember, we said leverage help. Call CAPTRUST. We are here to help you. We position ourselves as being a part of your benefits package. You can call us and speak to someone. Unbiased, customized advice. Not only can we help you with your investments, how much you're setting aside, but we can help you with this side of it as well, as to how do you draw down, how much money do you need to spend, what is your income, or what are your expenses? This is when you're calling us. We are here to help you.

You can either set an appointment by going on to captrustadvice.com, or you can call us directly, 1-800-967-9948. Making an appointment, there's no limit. You can make as many appointments as you want by going onto our website. Evening appointments are available, so you see that Monday through Thursday, 8:30 AM until 8:00 PM Eastern Standard Time. Friday, 8:30 until six Eastern time, or just call us directly. We are readily available.

Listen, I want to just take a moment to thank Mark and Phyllis for coming and sharing this invaluable information. I thank the audience for taking the time to listen to get all of this insight. Remember, you will get a copy of this recording in the next one to two business days.

Again, thank you so much. Have a great day. Stay safe, and we'll see you next time.

Mark Davis: Thank you so much.

Phyllis Klein: Thanks, everybody.

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