



Strategic  
Planning  
Group, Inc.

The Relaxing Transition to Retirement Program™

# The Retirement Report™

The Monthly Newsletter For Those Who Are Approaching or Enjoying Retirement

## Does Early Retirement Mean Forfeiting Dreams?

In today's down-turning economy, more and more companies are offering long-time employees early retirement packages. While the prospect of retiring years before reaching age 65 may seem like a dream-come-true on the surface, those who are actually faced with this option are often left confused and concerned about the impact it will have on their future.

It was days after Robert was presented with a confusing array of early retirement options by his employer, a local utility company, that he first came to see us for advice. After logging 37 years of loyal service as a middle management employee, Robert was given a mere 30 days to review a complex set of options and make a decision that would have lasting impact on his family.

As Robert, 61, and his wife, Margaret, 57, relayed their personal story to us, we were struck by their candor, strong work ethic and unconditional love for their family.

We also were reminded of many other clients who had recently found themselves in a very similar situation.

### A Complex Decision With Lasting Effects

After spending more than half his life working for the company, Robert was under extreme pressure to understand, evaluate, analyze and ultimately choose his future—a future he had worked so long and hard to attain—in the span of only a few short days.

Robert confronted a difficult choice. He could take a lump sum pension and manage the money himself or take a guaranteed monthly check for the rest of his life. To add to the pressure and confusion, the monthly check option also carried an additional six options from which to choose.

Robert and Margaret, like so many of their generation, lived their lives very modestly and with an eye toward

the future. They believed in hard work, supporting their children and saving for the future. Robert and Margaret had raised five wonderful children—three girls and two boys—and had managed to put each of them through college. The girls were married and Robert and Margaret had paid for their weddings. Two years ago, Margaret left her long-standing position at an advertising agency to provide care for a grandchild. Their suburban Boston home, for which they carried an \$80,000 mortgage, was located in a middle-class neighborhood near good schools.

Robert and Margaret also had dreams. They had long hoped that after retirement they would sell their suburban home and move to a new home in a place that they loved—Cape Cod.

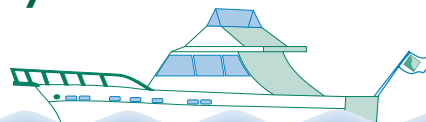
But the prospect of retiring years before they expected and planned had Robert and Margaret worried. They explained to us that they had credit card debt that totaled \$22,000, mostly incurred to finance the last child's college tuition and the wedding of a daughter. They also had a mortgage to think about and very little savings. Like so many others, Robert and Margaret believed that all their debt had to be paid before they could possibly retire. It was natural for them to assume that an early retirement would mean they would have to postpone or even forfeit their retirement dream.

**It is Here!!**

### Third Annual Flotilla and Barbecue

Georges Island, Boston Harbor

**Friday, July 29**



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## Early Retirement

*Continued from page 1*

As their full fiscal picture developed before us, we realized that their situation was much more positive than either of them had imagined. In fact, we saw a golden opportunity.

During Margaret's working years, she had put aside a 401(k) and had never done anything with it. Robert also had a 401(k) with lots of company stock and a pension. They had assorted insurance policies of varying values. Also, Robert had inherited a few utility stocks 14 years ago after his mother passed away, but had no idea what they were worth.

He was also given a generous severance package—two weeks of pay for every year that he had been with the company.

With all these components swirling around, Robert and Margaret found many questions, but no viable solutions. Should Robert take the pension now, or would it be more advantageous to defer it? And what should they do with the severance—pay off the mortgage and credit card debt or invest it? As they were considering their options, their dream of a retirement home on Cape Cod kept them focused. How could they retire, pay off their debts and still manage to live their dream retirement? How could they even begin to make these complicated choices in the space of less than a month? Where could they turn for experienced counsel in this situation?

Fortunately for Robert and Margaret, we were able to organize all the components of their seemingly incomprehensible dilemma and find a successful solution.

## Dreams Really DO Come True!

With all the facts before us, we worked with Robert and Margaret and helped them achieve the dream retirement they had longed for—only years earlier than they expected or planned. Robert fully retired two months after meeting with us, at age 61.

Robert ultimately chose to take the lump sum pension option—a decision that now saves him \$11,000 per year in taxes. Robert and Margaret completely paid off their credit card debt and mortgage. They sold their suburban Boston home and purchased a more expensive home on The Cape. We helped them structure a monthly revenue stream from four different sources that was greater than when they were working.

For what once seemed a scary proposition, early retirement life certainly agrees with Robert and Margaret. She enjoys gardening, beach combing and hosting her children and grandchildren in their new home. Robert keeps himself busy in a local hardware store where he works part time—not because he has to, because he wants to. Robert and Margaret are living their dream retirement life that only a few months ago seemed so very far away.

If you are faced with a forced early retirement option from your employer, be sure to talk with us. We've helped many couples through this complicated process. Helping you realize your dream retirement is what we do best.

*Names and circumstances have been altered to protect client's privacy.*

## FREE Subscription

If you enjoy this report, please share it with any of your co-workers, friends, or relatives who are either approaching or already enjoying retirement. Please provide us with their name and address, and they'll begin receiving their free subscription each month. Remember our policy is that we will **NEVER CALL THEM.**

Submitted by: \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**If you would like to receive FREE Information on the following topics, mail or fax this form!**

- The Nine Biggest Mistakes People Make When Offered An Early Retirement Package, Or Laid Off From Their Employer, And How To Avoid Them!
- Our Graphic Overview With Audio CD Detailing *The Relaxing Transition to Retirement Program™*.

## Diversification-limiting exposure to unnecessary risks

Everyone hears the term diversification when it comes to investment portfolios, be it on television, cocktail parties, or even the mail. Diversification is one of the most important strategies in helping avoid financial catastrophes. The key is to have your money evenly distributed among various fund sizes and styles to provide safety against unforeseen economic events. You may want to have positions in high, medium, and even low quality bond funds to make up the debt portion of your portfolio and positions in growth, blend, and value on the equity side of your portfolio, to come up with a pre-determined debt to equity ratio. Depending on your age and how soon you will need access to your money is what should determine how you diversify your portfolio.

In order for diversification to work effectively, your portfolio must continually be rebalanced to ensure your debt to equity stays in line and you don't get too overloaded in one style or another due to market activity, contributions or even withdrawals. We feel that this rebalancing should be done every 90 days. This method prevents you from holding any under performing security more than a few months, which can be crucial in terms of percentage gains or losses and continually compares your funds versus other funds in the same peer group. The 90 day review doesn't allow for any surprises and catches underperformance before it can cause serious problems.

A person in his or her thirties can certainly afford to take more risk

than someone in their sixties because he or she has time to recover from a down equity market before actually needing the money to cover living expenses. The closer you get to retirement, the more you will want to scale back your equity positions and shift more money toward debt investments. During retirement, it isn't all about the next hot investment and striving for outlandish returns, it is about preserving what you already have and making sure that your existing capital can support your monthly needs. Diversification shouldn't be overlooked and is necessary to control your capital and spread out the risks of investing so one economic event doesn't destroy what you have worked so hard to save over many years.

## Referral Reward Program

We appreciate the opportunity to help your co-workers, friends, or relatives retire when they want, on the income they want, while taking the least amount of risk necessary, and paying the smallest amount of taxes legally possible.

In order to help them, we need your help. For every co-worker, friend, or relative you refer to us who joins The Relaxing Transition to Retirement Program™, you will receive a \$100 gift certificate. (Please see the list of certificates for you to choose from.)

A great referral for us is anyone you know who is approaching retirement, or already retired, especially if they have received an

early retirement offer from their employer. When you pass along their name to us, **WE NEVER CALL THEM.** Instead, a Strategic Planning Group, Inc. information package is sent with information about The Relaxing Transition To Retirement Program™.

Each month after that, they'll receive a free subscription to The Retirement Report™. When the time is right for them, hopefully they will feel comfortable enough to call us.

A referral is the best compliment you can give us. We truly appreciate the opportunity to help anyone you know make their transition to retirement as relaxing as possible.

### Restaurants:

Abe & Louie's Steak House  
Smith & Wollensky  
Capital Grille  
Coach Grille  
Figs  
Luciano's Restaurant

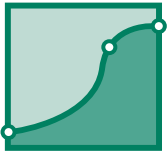
### Golf Courses:

Blackstone National Golf Club  
Captain's Golf Course  
Pine Hills Golf Club  
Stow Acres

Simon Malls  
Elizabeth Grady

### LEGAL DISCLAIMER

This information is solely advisory and should not be substituted for legal, financial, or tax advice. Any and all financial decisions and actions must be done through the advice and counsel of a qualified attorney, financial advisor, and/or CPA! We cannot be held responsible for actions you may take without proper financial, legal, or tax advice.



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*The Relaxing Transition to Retirement Program™*

[www.RelaxingRetirement.com](http://www.RelaxingRetirement.com)



*ARE TOO MANY  
EARLY RETIREMENT OPTIONS  
SPOILING YOUR DREAMS?*

**Please Open And Read  
Immediately!**

**We'd Like To Thank The Following People Who Asked Us To Send Information on *The Relaxing Transition To Retirement Program™* to a Co-Worker, Friend, or Relative Last Month.**

**Tracy Tully  
Jack & Nancy Burke  
Stu & Irene MacDonald  
Howard Mandelcorn  
Andrew Clemons  
Michael Copperwhite**

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Ed & Phyllis Lubar  
Malcolm & Diane Sutch  
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Bob Fitzgerald  
Gloria Markiewicz**

**Patti Abbate  
Gerry Criscenzo  
Walter & Carl Stringer  
Gail Van Kleeck  
Carolyn Timpany  
Earl & Ann Marie Adreani**

*Please see page 3 for details . . .*



David Rourke is the principal of The Strategic Planning Group, Inc. and director of *The Relaxing Transition to Retirement Program™*. Developed over the past twelve years, *The Relaxing Transition to Retirement Program™* has helped hundreds of people in New England who were at the Employment Dependency Crossroad™ develop and maintain the confidence they needed to make the transition to retirement without worrying about work or money. For Clients who choose to participate in The Investment Evaluation and Realignment Program™, David Rourke also offers securities as Registered Representatives of QA3 Financial Corp. Member NASD, SIPC, One Valmont Plaza, 4th Floor, Omaha, NE 68154, Tel: 888-337-4094.