

Investment Planners, Inc.  
124 W. Wisconsin Ave.  
Neenah, WI 54956

### Evaluating Early Retirement, continued

But, that doesn't mean that you have to abandon your former line of work for a new career. You can start by finding out if your former employer would hire you as a consultant. Or, you may find that you would like to turn what was once just a hobby into a second career. Then there is always the possibility of finding full-time or part-time employment with a new company.

However, for the employee who has 20 years of service with the same company, the prospect of job hunting may be terrifying. If you have been out of the job market for a long time, you might not feel comfortable or have experience marketing yourself for a new job. Some companies provide career counseling to assist employees in re-entering the workforce. If your company does not provide you with this service, you may want to look into corporate outplacement firms and nonprofit organizations in your area that deal with career transition.

Note: Many early retirement offers contain noncompetition agreements or offer monetary inducements on the condition that you agree not to work for a competitor. However, you'll generally be able to work for a new employer and still receive your pension and other retirement plan benefits.

### What will happen if you say no?

If you refuse early retirement, you may continue to thrive with your employer. You could earn promotions and salary raises that boost your pension. You could receive a second early retirement offer that's

better than the first one. But, you may not be so lucky. Consider whether your position could be eliminated down the road.

If the consequences of saying no are hard to predict, use your best judgment and seek professional advice. But don't take too long. You may have only a short window of time, typically 60 to 90 days, to make your decision.

### IMPORTANT DISCLOSURES

Broadridge Investor Communication Solutions, Inc. does not provide investment, tax, or legal advice. The information presented here is not specific to any individual's personal circumstances. To the extent that this material concerns tax matters, it is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding penalties that may be imposed by law. Each taxpayer should seek independent advice from a tax professional based on his or her individual circumstances. These materials are provided for general information and educational purposes based upon publicly available information from sources believed to be reliable—we cannot assure the accuracy or completeness of these materials. The information in these materials may change at any time and without notice. Securities and investment advice offered through Investment Planners, Inc. (Member FINRA/SIPC) and IPI Wealth Management, Inc., 226 W. Eldorado Street, Decatur, IL 62522. 217-425-6340.

Investment Planners, Inc. \* 124 W. Wisconsin Ave. \* Neenah, WI 54956  
920-886-1300 Fax: 920-886-0018 Email: [Neenah@investment-planners.com](mailto:Neenah@investment-planners.com)



Securities and investment advice offered through Investment Planners, Inc. (Member FINRA/SIPC) and IPI Wealth Management, Inc., respectively 226 W. Eldorado, Decatur, IL 62522 (217)425-6340. Investment Planners, Inc. and IPI Wealth Management, Inc. do not provide tax advice. Please consult your tax attorney or accountant.



## A Message From Christine & Royal: *Off to the Races*



Christine Rondeau, CFP®  
Royal Rondeau & family

This was the theme of this year's IPI Annual Summer Conference, held in the beautiful city of Louisville, KY. Our conference is always such a wonderful opportunity, both for us as business owners, as well as personally for our family. Our children have joined us every year, since 2007, and so they look forward to this trip each summer. We are reminded each year what a wonderful, family-oriented group of people with whom we work, who are there to support us advisors and to support you our clients, as needed.

We networked with partners and fellow advisors who have become dear friends over the years, just as you have for us. We must admit that each year, we walk away almost overwhelmed with the information, technology and services that we can bring back to our own practices. We are both excited to get back to implement it all, while at the same time, anxious of how to get it all in place. That is why it is great to be part of a team, both here in Neenah and with our IPI family.

We just have to share a few highlights with you, which included checking off something on Christine's bucket list – The Kentucky Derby. Well, to be accurate, it wasn't actually the Derby, but we did get a VIP tour of Churchill Downs, saw a race, were served mint juleps upon arrival and we toured and dined in the Kentucky Derby museum. We were even called to dinner by the Derby bugler himself! Our children joined in, dressed in their best, the ladies in hats, the men in bow ties and bowlers. Being on the grounds of Churchill Downs was like stepping back in time. If you ever find yourself in Louisville, we highly recommend a visit. We went back as a family on Friday, to try our hand at picking a few horses to win a race or two. Needless to say, we made a contribution to the racetrack that day. Before leaving, we tried some Kentucky Bourbon (soda for the kids, of course) and we made a stop at the Louisville Slugger museum, another very worthwhile site.

As for the business of being your financial advising team, we are "off to the races" - just look inside these pages for those conference take-aways. We had three days, packed full of industry insight, advice and technology. But in this section, we would rather leave you with the above memorable photo of our Kentucky Derby night.

### Office Notes:

[WWW.IPISTRATEGIES.COM](http://WWW.IPISTRATEGIES.COM)

**Focus on Technology:** One of the recurring themes at our conference was improved technology, for our clients and for us. At upcoming reviews, we will be asking each of our clients how they like to utilize technology, so that we can implement best practices through client portals, account aggregation and improved communication through our website – stay tuned.

**2nd Quarter Reports:** June 30th marks the end of the 2nd Quarter. Look for your quarterly reports mid-to-late July

**Office Hours:** Our Summer hours are Monday – Friday, 8:00AM – 4:00 PM. Additional hours are always available by appointment.

### IN THIS ISSUE OF IPI STRATEGIES

**P1**  
MESSAGE FROM  
CHRISTINE, ROYAL  
OFFICE NOTES

**P2**  
FINANCIAL CORNER:  
EVALUATING EARLY  
RETIREMENT OFFER

**P3**  
RETIREMENT ROCKS:  
DIGITAL ASSETS

**P4**  
EARLY RETIRE-  
MENT, CONTINUED

## Financial Corner: *Evaluating Early Retirement Offers*



Christine Rondeau CFP®

### What's the severance package?

Most early retirement offers include a severance package that is based on your annual salary and years of service at the company. For example, your employer might offer you one or two weeks' salary (or even a month's salary) for each year of service. Make sure that the severance package will be enough for you to make the transition to the next phase of your life. Also, make sure that you understand the payout options available to you. You may be able to take a lump-sum severance payment and then invest the money to provide income, or use it to meet large expenses. Or, you may be able to take deferred payments over several years to spread out your income tax bill on the money.

### How does all of this affect your pension?

If your employer has a traditional pension plan, the retirement benefits you receive from the plan are based on your age, years of service, and annual salary. You typically must work until your company's normal retirement age (usually 65) to receive the maximum benefits. This means that you may receive smaller benefits if you accept an offer to retire early. The difference between this reduced pension and a full pension could be large, because pension benefits typically accrue faster as you near retirement. However, your employer may provide you with larger pension benefits until you can start collecting Social Security at age 62. Or, your employer might boost your pension benefits by adding years to your age, length of service, or both. These types of pension sweeteners are key features to look for in your employer's offer—especially if a reduced pension won't give you enough income.

### Does the offer include health insurance?

Does your employer's early retirement offer include medical coverage for you and your family? If not, look at your other health insurance options, such as COBRA, a private policy, or dependent coverage through your spouse's employer-sponsored plan. Because your health-care costs will probably increase as you age, an offer with no medical coverage may not be worth taking if these other options are unavailable or too expensive. Even if the offer does include medical coverage, make sure that you understand and evaluate the coverage. Will you be covered for life, or at least until you're eligible for Medicare? Is the coverage adequate and affordable (some employers may cut benefits or raise premiums for early retirees)? If your employer's coverage doesn't meet your health insurance needs, you may be able to fill the gaps with other insurance.

### What other benefits are available?

Some early retirement offers include employer-sponsored life insurance. This can help you meet your life insurance needs, and the coverage probably won't cost you much (if anything). However, continued employer coverage is usually limited (e.g., one year's coverage equal to your annual salary) or may not be offered at all. This may not be a problem if you already have enough life insur-

ance elsewhere, or if you're financially secure and don't need life insurance. Otherwise, weigh your needs against the cost of buying an individual policy. You may also be able to convert some of your old employer coverage to an individual policy, though your premium will be higher than when you were employed.

In addition, a good early retirement offer may include other perks. Your employer may provide you and other early retirees with financial planning assistance. This can come in handy if you feel overwhelmed by all of the financial issues that early retirement brings. Your employer may also offer job placement assistance to help you find other employment. If you have company stock options, your employer may give you more time to exercise them. Other benefits, such as educational assistance, may also be to help you find other employment. If you have company stock options, your employer may give you more time to exercise them. Other benefits, such as educational assistance, may also be available. Check with your employer to find out exactly what its offer includes.

### Can you afford to retire early?

To decide if you should accept an early retirement offer, you can't just look at the offer itself. You have to consider your total financial picture. Can you afford to retire early? Even if you can, will you still be able to reach all of your retirement goals? These are tough questions that a financial professional should help you sort out, but you can take some basic steps yourself.

Identify your sources of retirement income and the yearly amount you can expect from each source. Then, estimate your annual retirement expenses (don't forget taxes and inflation) and make sure your income will be more than enough to meet them. You may find that you can accept your employer's offer and probably still have the retirement lifestyle you want. But remember, these are only estimates. Build in a comfortable cushion in case your expenses increase, your income drops, or you live longer than expected.

If you don't think you can afford early retirement, it may be better not to accept your employer's offer. The longer you stay in the workforce, the shorter your retirement will be and the less money you'll need to fund it. Working longer may also allow you to build larger savings in your IRAs, retirement plans, and investments. However, if you really want to retire early, making some smart choices may help you overcome the obstacles. Try to lower or eliminate some of your retirement expenses. Consider a more aggressive approach to investing. Take a part-time job for extra income. Finally, think about electing early Social Security benefits at age 62, but remember that your monthly benefit will be smaller if you do this.

### What if you can't afford to retire? Finding a new job

You may find yourself having to accept an early retirement offer, even though you can't afford to retire.

One way to make up for the difference between what you receive from your early retirement package and your old paycheck is to find a new job. (Continued on back page.)



Christine & Royal Rondeau

## Retirement Rocks: *Disposition of Digital Assets*



As part of my annual continuing education, I have found a course that I am really looking forward to taking. It is called [Professional Skills for Client Life Transitions](#) and will be held over three days, in Chicago this September. I was introduced to the presenter and CEO of Corgenius, Amy Florian, at an IPI annual conference. She specializes in “adding heart to the brains of business” through her company, and works with advisors like me, to better help my clients through the transitions in life, such as aging, illness, job loss and other major life events.

The following information on Digital Assets is just a snapshot of the kind of information she will teach me, so that I may pass it on to you.

Amy posed the question—when a loved-one dies, who gets their airline miles? Who owns the pictures on their Facebook page or their Bitcoin account? Who has control over maintaining or shutting down their social media sites, electronic bill-paying, etc.? She went on to explain the following:

Digital rights ownership is an increasing issue in a world where the internet of things is exploding. If you or your loved one does nothing, everything will happen according to the TOS (terms of service) of each individual site. Those terms vary widely, which can result in headaches for survivors and unintended consequences. Instead, get prepared. Forty states have now passed RUFADAA - Revised Uniformed Fiduciary Access to Digital Assets Act - and more have introduced it in 2018. It allows the executor or another fiduciary appointed in the will to have access to any electronic or digital sites necessary to settle the estate. It allows for further permissions if the decedent desires and states it in the will. There are two crucial steps here:

### Did You Know?

- This year marked the 144<sup>th</sup> running of the Kentucky Derby. 1875 was the year of the first Kentucky Derby, making it the oldest continuously held major sporting event in the U.S.
- Only 3-year-old males can run in the Derby, so a horse only gets one shot.
- Only 13 horses, (out of 144) have won the Triple Crown, including this year's winner, Justify.
- Although the purse winnings for Justify were over \$1M, the real money is made on stud fees and estimates put him at over \$60M in the next four years.

- Make sure the will includes your wishes for the executor or another named fiduciary to have access to digital accounts AND list how broad those permissions are. Example: Can that person see all the tweets, emails, and private personal information, or only non-personal sites? Does access extend beyond only those sites required to settle the estate?
- Since the will is public, it is important for you to create another document giving specific instructions to the executor/fiduciary that includes privately-held information. For instance, include usernames and passwords, either to each individual account or to any program used by the client to store that information.

Also list what you wish to happen - i.e. should the blog be archived and saved or should it be deleted? Should the Facebook page continue as a memorial, and if so, for how long and how should it be managed? For which sites should ownership pass to a family member, and which should be closed? This document should be signed, dated, and preferably notarized, and kept with the will so instructions are accessible. Since the TOS terms are not legal documents, hopefully your client's provisions in the will take precedence, although this is untested in courts.

Yet if you do these two things, you protect not only your finances, but those very important and personal digital assets. Instead of allowing individual sites to determine disposition, do what you can to keep yourself in control and remove at least some of the headaches from your family. © 2018 Corgenius. All rights reserved.

- No female trainer or jockey has won the Kentucky Derby – Yet! However, Diane Crump was the first woman jockey to ever ride in the Derby; there has yet to be a female winner, but Shelley Riley came the closest in 1992 when she came in second.
- The Derby is also referred to as 'The Run for the Roses' because the winner is awarded a blanket sewn with over 400 roses. This blanket weighs about 40 lbs. Meanwhile, the Kentucky Derby trophy only weighs 3½ lbs.

