



OPTIMUM EXPERIENCE

NEWSLETTER FOR CANANDAIGUA NATIONAL BANK & TRUST OPTIMUM CHECKING CUSTOMERS

Early Retirement – are you sure it's what you really want?



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Early retirement sounds tempting. It's a goal for many folks. But for some, it falls into the category of: "Be careful what you wish for. You might just get it!"

Planning for retirement, particularly early retirement, tends to focus mostly on financial factors:

What are my income needs? How much will be supplied by my pension and by Social Security? When should I start Social Security? How fast should I draw from my retirement funds? Should I draw first from pre-tax or post-tax accounts? How do I protect my assets if I need long-term care? How do I ensure my spouse is secure at my death? Will I run out of money? What about inflation?

That's a lot to think about! Fortunately, these issues can be addressed readily by working with a trusted financial planner to map out a workable retirement plan.

But money is only a part of the picture. Let's assume that your finances are in order and you can retire safely. What about the "soft stuff"? Are you REALLY ready to retire? Let's explore some of these non-financial issues.

How will you spend your time? Daily rounds of golf and the long-overdue painting of the bathroom can get old quickly. It is a particular challenge for early retirement, having just left a 25 or 30-year working career where you had an active, daily, structured routine in which you likely were called-upon to innovate and contribute continuously.

Remember, you may be looking at a 30-40 year retirement period – quite possibly longer than the total of your prior working years.

What are your spouse's plans? It is common, particularly with early retirement, that spouses will not retire at the same time. This can present challenges. The working spouse may have increased expectations of the retired spouse regarding responsibilities around the house or may become resentful if the retired spouse sleeps in every morning. Also, the retired spouse, given newly-found free time, may want to travel more, go south for the winter – something the working spouse is not as free to do.

Are you prepared for a change in social contacts? Work is a ready-made, automatic source of social contact. Losing touch with

co-workers can be difficult under normal retirement circumstances. Early retirement may amplify the problem. Replacing such contacts with a new or expanded social network takes time and energy.

While these and other non-financial issues may be on your mind as you plan for early retirement, there are some things you can do to avoid or minimize these hurdles:

- **Prepare now.** Think about what you truly want to do and how you'll handle some of the issues noted above.
- **Don't retire from work, retire to something else.** Simply quitting work may not necessarily create a fulfilling, enjoyable retirement.
- **Practice your retirement before you retire.** Hobbies are a good example. Your best chance to make this work is to develop outside interests and hobbies well before you clean out your desk and turn in your employee badge.
- **Consider volunteering.** Whatever your capabilities are, it's a good bet there are plenty of non-profit organizations that have the perfect fit for your time and talents. As with hobbies, cultivating these interests during your working years will make your community-service choices easier to make and more rewarding.
- **Talk it over carefully with your spouse** and reach a common agreement on expectations.
- **Consider a second career.** This is becoming a more popular option these days as people retire from their first careers earlier.

Looking back on decades of work and life experiences, this is an ideal time to consider what you most would enjoy doing in the next chapter of your life – what you "really" want to do.

Once you've decided, get the necessary training or education, if called for, then just do it! This may be part or full-time work, hobby pursuits, or volunteering. Retiring to something meaningful provides a great psychological transition to ultimate full retirement as well as additional financial benefits if a follow-on career is chosen.

How CNB Can Help

Developing a retirement plan that is right for you depends on your goals and unique financial and personal situation. Consider partnering with one of our financial planners to help chart your path forward.

Did you know that Financial Planning is included with your Optimum relationship?

Our Personal Bankers will work with you to learn where you are financially today and to develop a plan that will help you get to where you want to be tomorrow.

Financial Planning

We're your primary care physician for your total financial health.

Let our Personal Bankers help you reach your financial goals.

Call us at 585-394-4260.





by Susan Suben

Susan Suben is the Long Term Care Insurance Consultant for Canandaigua National Bank & Trust.

What is your plan for living a long life? Living a long life means that you will get old, when you get old, you get sick, and when you get sick, you will need care. How will you pay for that care and what will the financial and emotional consequences be on your family?

What is long-term care (LTC)? LTC refers to services known as custodial care that you need when a chronic illness, cognitive impairment or disability limits your ability to perform daily activities. Care can be received at home, in an adult day care center, assisted living facility or nursing home.

Why don't people plan for LTC?

Denial: If you are healthy and active and have never experienced a LTC situation, being disabled is the last thing on your mind. Therefore, you don't see any urgency in being prepared.

Planning for Long-Term Care is a Necessity

Misinformation about Medicare and Medicaid: Medicare pays for limited care in a nursing home, up to 100 days. *It does not pay for adult day care or assisted living.* Home care has to be skilled or rehabilitative. *Medicare does not pay for custodial care.*

Medicaid provides medical assistance for individuals with low income and limited assets. You must spend-down your assets or complete a five year look-back period for transferring assets otherwise you are ineligible for coverage

Medicaid pays for *limited home care, does not pay for adult day care, and rarely pays for assisted living.* It pays for the one place you do not want to be – a nursing home.

My family will take care of me: Does your spouse or significant other work? Do your adult children care for their own children? Your family will always be there for you but do you want to change their lives because you need care?

It's a difficult conversation: How many of you have talked to your own parents about LTC?

So, what are the consequences of not planning for a long life?

The biggest impact is on your family. The stress on the primary caregiver would be immeasurable. Consider the loss of assets and income, the tax implications of liquidating assets to pay for care, and the negative impact on the standard of living of the well spouse/family member.

It's very easy to put off thinking about LTC especially when you are young and healthy. But time is not infinite and every day you're getting older.

For more information please contact one of our Personal Bankers today at 585-394-4260.

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2013 Travel Features at a glance...

Enjoy a preview of the trips we're offering in 2013, created with you in mind!

Book of Mormon - March 5, 2013

4:30pm Departure & 7:30pm Show

Mario's Restaurant and Auditorium Theater, Rochester

\$135 per person (includes orchestra-level show ticket, transportation from our Basin Park location, and dinner).

Reservation Deadline: These tickets are offered on a first-come, first-serve basis and are limited to four tickets per Optimum household.

Composed by South Park creators Trey Parker and Matt Stone and Avenue Q's Robert Lopez, The Book of Mormon is an old-style musical with a modern sensibility. This blockbuster show features several big song-and-dance numbers accompanied by some old-fashioned Broadway belting. An equal opportunity offender, the show playfully pokes fun at religion, sexuality, poverty and race, while inspiring an after-the-show discussion of religion in general.



FINGER LAKES BREWERIES TOUR - June 28 & 29, 2013

\$250 single/\$395 per couple (includes transportation on a luxury motor coach, two lunches, one dinner, one breakfast, and overnight accommodations, as well as taxes and gratuity.)

Reservation deadline: There are a limited number of spaces available. Call today to secure your reservation.

Depart Canandaigua on a luxury motor coach and indulge in this scenic and relaxing fall tour through the Finger Lakes. You'll stop for tastings and tours at local breweries along our treasured Finger Lakes region and dine at the area's most impressive restaurants.

FINGER LAKES WINE TOUR - October 16 & 17, 2013

\$325 single/\$450 per couple (includes transportation, two lunches, one dinner, one breakfast, and overnight accommodations, as well as taxes and gratuity.)

Reservation deadline: There are a limited number of spaces available. Call today to secure your reservation.

Depart Canandaigua on a luxury motor coach and indulge in this scenic and relaxing fall tour through the Finger Lakes wine country. You'll stop for tastings at local wineries along our region's treasured wine trails and dine at the area's most impressive restaurants.



**Cooperstown
July 2013**

**Sonoma/Napa Valley
August 2013**

More details/dates will be provided in a separate Travel Newsletter in January 2013.

RESERVATIONS:

CNBTrips@cnbank.com or call Pam @ 585-394-4260 x36185