



# Retire With Less Worry with Absolute Return Solutions

A vintage light blue convertible car driving on a winding road. The car is seen from the rear, and a man and a woman are sitting in the back seats with their arms raised in the air, waving. The road is paved and has double yellow lines. The surrounding landscape is grassy and hilly under a bright sky.

With Proper Planning You Can Live Your  
*Happily Ever After*

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# *A clear, written plan is important and necessary*

*to improve your chances of achieving your hopes and dreams in retirement. A plan can range from a complacent mindset, to making planning a priority and identifying the income you need and want to live the life you've always dreamed of. This plan is not just conjured up in your head, but instead is tangible, and something you understand, own, and can easily describe.*

*In the realm of retirement, many things that worked when you were employed are no longer applicable. That's why it's so important to make planning for retirement a priority, and diligently plan for the next stage in your life.*

## ***How To Increase Your Odds of a Successful Retirement***

In working with our clients, we have observed that there are many misconceptions about retirement that are accepted as if they are truths. This causes many people to have the wrong perception about retirement, leading them to be ill-prepared. When the time comes, they may wonder why they can't retire or why things didn't go according to their plan. If you don't have a written income plan, your strategy is simply "hope and pray." No one would ever drive across country without a map, but many go into retirement not knowing where their income will come from for the rest of their lives. You can improve your chances of enjoying a successful retirement by planning ahead for the day you receive your last paycheck. Then you'll be much more prepared to confidently walk out that door.

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### ***Why is Working with a Fiduciary so Important?***

Income comes from assets, assets come from planning, and planning comes from working with a fiduciary that acts in your best interest, and puts your needs and objectives above those of the firm. At Absolute Return Solutions, our planners have the qualifications, experience, and understanding to suggest the best strategies that tackle your situation head-on. For some, that means freedom. For others, it is liberating. There are many barriers that may prevent you from achieving a fulfilling retirement, and knowing about them is half the battle. We'll help you identify your biggest concern on your road to retirement, so that we can then help you strategize and understand the best options to help you achieve your goals, all based on your hopes and dreams.

### ***Transitioning Your Mindset***

It's essential to realize that some people take too much risk, while others take too little and don't do anything at all, leaving them both stagnant and fearful of retirement. We shouldn't be hasty in our preparation for retirement, but we shouldn't ignore it either. We have to remove the misconceptions, realize the things we can control, and take steps towards planning to be happy in retirement, and staying happy in retirement.

When you are working, you have the assurance of a paycheck. You work, get money to pay the bills, have food on the table, and are able to enjoy the fruits of your labor. Maybe you take a trip, buy that new big screen TV you've been eyeing for the last month, or go out with friends and family for a nice dinner. In retirement, you don't have that paycheck coming in, meaning you can't approach life in retirement the same way. Understanding this is a big step in transitioning your mindset.

When thinking of retirement, it's similar to pursuing a long-term career goal that may take years,

even decades to come to fruition. So, it may be easy to think that it can be ignored and that it doesn't need to be a priority. Imagine that you've been earning \$100,000 annually, then before you know it, retirement looms. You realize that you've only saved a total of \$50,000 and you don't have enough to retire. Your retirement suddenly jumps out the window. The worst part? You realize that you could have done something to prevent this scenario many years ago.

## ***Why is Thinking about Retirement so Scary?***

Let's say you did manage your money well and have enough money for retirement. Then the stock market crashes, and all your stock market investments are cut in half. You thought you had \$1 million, but now it's reduced to \$500,000. The life you've envisioned is now in question. What happened to the stock markets in 2008 can certainly happen again. You may be thinking, "Well at least I have the security of my retirement plans." But after you calculate all your income for retirement -- the 401ks, social security, and other investments -- you might end up in a higher tax bracket. You could lose a big chunk of your money to federal income taxes that could have been used to upgrade to an outside cabin on your next Caribbean cruise. You then might try to accept that there was nothing you could have done. Wouldn't it have been valuable to have known in advance and had strategies in place to improve the outcome?

Still, you might have enough money to at least make life decent in retirement, but then something unlikely happens. Perhaps you fall down the stairs, and then your body doesn't recover from injuries



like it used to. You then realize that you just can't "shake it off." You need to be rushed to a hospital to check for injuries, followed by CAT scans and blood work. You spend a week at the hospital. The good news is that there is no extensive damage that you can't recover from. However, the hospital bills arrive...and then it hits you. You don't have the same coverage you had when you were employed. Medical bills eat more out of your retirement income. You are left with money that will barely help you survive. Desperately, you think of ways to try to alleviate the situation.

Maybe you could take up a part-time job. Maybe it's okay to live with your kids for a while, but is that really the way you wanted your retirement to unfold? All of this may

have been prevented if you had developed a clear, written income plan to help you handle any situation life throws at you -- financial or otherwise.

## ***What You Can Do to Get on the Right Track***

With so many impediments that could really affect the retirement experience, where do you start?

It all starts with a plan. When you take a vacation, you make a plan. When you travel across the country you have a map and an itinerary. You make plans for fitness, presentations, and for how you tackle work situations. Yet, when it comes to retirement, many people may spend more time planning their vacations than planning for the income they will need in retirement. You need to have a plan, and that plan will help provide you with confidence. You need a plan that isn't "just in your head," but is a clear, written income plan that identifies the income you need and want for the rest of

your life. We'll facilitate the tough conversations that need to happen to plan for events that can derail your plan. Then we meet regularly to review your plan and make updates to keep you on track.

A plan will allow you to know exactly how much income you will need every month for the rest of your life without running out.\* Imagine how valuable that would be. Your income plan will tell you how much you can spend and identify situations when your plan needs to be adjusted, such as when things don't go as expected. And if so, we can be there to help.

In our experience, many people can't create an effective income plan on their own. You may understand the concept, but partnering with a distribution planner who is a fiduciary making recommendations in your best interest, will no doubt go a long way to enhancing your nightly slumber.

## ***Retirement Doesn't Have to be Just a Fairytale***

Now realizing that a retirement plan is an essential piece needed to reach your hopes and dreams, it's time to commit to making it a priority. Envision your goal. Where do you want to be? What would you like to do? What kind of lifestyle do you envision in retirement?

When you know your goal, you have a defined destination in mind. The strategy then is realizing how much income you will need to attain that goal. We suggest making a list of how much money you earn in a year, and how much of that is used for your current needs. Once you know how much money you have, and how much money you need, then you know how much money is left over. You can then begin the essential habit of paying a percentage to yourself first. A good rule of thumb is to set aside 15-20% of your total annual income (this number may fluctuate depending on the size of your goal) to deposit in savings and investments. When you pay yourself first, then you have the right to spend whatever is left, however you wish.



## ***How to Protect Yourself from Market Down Turns and Unexpected Financial "Waves"***

Of course, it's essential to make sure that you have proper allocation of your assets to protect them in the event of a down stock market. Had people done this in 2008, their portfolios would not have been so severely impacted by the stock market. Proper investment portfolio allocation is recommended and can be an effective strategy in protecting the money you worked so hard for. You can distribute your money in retirement plans, savings, bonds, mutual funds, business endeavors, stocks, etc. -- any opportunity that can be used to possibly grow and improve your financial position. However, taking into account risk, we think it's a good idea to diversify your money among different financial avenues to better improve your chances of growing your wealth. We can help you identify and avoid actions that could potentially damage the growth of your money, such as withdrawing

money from your savings too early, and avoiding accumulation of unsecured debt. We feel that knowing the risks and mitigating them is one of the most efficient ways to secure your money and your income in retirement. A clear, written income plan allows you to easily make adjustments if priorities change or if there are changes to your current status. Whenever something doesn't go as expected, you can default to your plan, which has buffers built in that are designed to help you more easily ride through some of the financial "waves" with ease.

## ***Priceless Benefits of Having a Plan***

Retirement is one of the most challenging phases of life to prepare for, and lack of proper planning could derail your hopes and dreams. It's difficult to stay on track when the goal seems to be so elusive. The benefit of having a clear, written income plan is that it helps to give you confidence to know how you can live the life you've always dreamed of. Your plan can help guide you on the right track, and help to measure your performance and progress toward your goals. One day you could walk out on the last day of work and never go back, yet have the confidence to know you are on track to live the life you've always dreamed of.

## ***Bringing It All Together***

A wrong perception about retirement and how to plan for it can become one's downfall. At ARS, we feel that proper planning is the key to a successful retirement and living the life you've always dreamed of. As you learned there are many pitfalls that might try to derail you as you move on a path to reach the retirement you've always envisioned. The silver lining is that we can help set you up on a path to financial freedom -- the one where you have confidence in your financial security and where you enjoy your life with loved ones.

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At Absolute Return Solutions (ARS), we believe the solution lies in identifying your biggest financial concern. We find that most people's biggest concern is running out of money in retirement. To address this concern, we believe that the first step is establishing a written plan, one that lists your income, strategy, and anticipated results. When things go wrong, the plan is used to help you make the financial decisions to stay on track. Not having a plan might result in your retirement changing drastically with each event that happens for which you are unprepared. Within the plan lies your savings strategy, because in our experience, not having enough money is the biggest detriment to a fulfilling retirement. Also identified in your written income plan are your multiple sources of

income and how you can properly allocate your income to minimize risk while allowing your wealth to grow.

At ARS, we feel that you should also have a plan to optimize tax planning strategies. Additionally, medical expenses are rising and can quickly erode your savings. Having a proper medical plan after your work-tied health care benefit ends is necessary. With these suggestions in place, you are well on your way to living your happily ever after in retirement. Remember, the best way to approach

creating a plan is to consult a financial expert, someone who is a fiduciary and has the needed qualifications and retirement guidance experience. They will be able to guide you and let you know if you are positioned to achieving your hopes and dreams in retirement.

Now, you can relax and sleep well knowing that you are on track to achieving everything you've worked so hard for. And you have a trusted professional looking out for your best interest.

***Are you ready to take the first step to controlling your financial future?***

***If so, we're ready to help. Give us a call at 888-500-5830 and schedule your complimentary visit to assess if you're on track to living out your hopes and dreams in your golden years.***



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