



Members of Ortner, O'Brien & Ortner Advisory Group, left to right: John O'Brien, Frank Ortner, III, Bill Helstowski, Debbie Kistler, Roseanne Teti, Amanda Holden, Frank Ortner, Jr., and Eileen Paci.

The Retirement Lifestyle Plan: Debunking *THE NUMBER*

By Tony Rotondo
Photography by Kelly O'Keefe

State of Retirement

Baby boomers are reinventing retirement, and they're also feeling great angst about the entire process. Their concerns are not new. According to a recent Employee Benefit Research Institute (EBRI) survey, only 46 percent of workers have tried to calculate how much money they will need to retire, with 44 percent simply guessing at how much they will need. They've read horror stories about *THE NUMBER* — that is, how much they would have had to save before they could even think about

retiring. The number is usually in scary seven figures.

Many investors are being told that in order to retire, one needs to accumulate a minimum nest egg of \$1,000,000. Some advisors do recommend that even one million dollars might not be enough to ensure comfortable retirement, given longer life expectancies and variability of investment returns. This is discouraging many investors who are starting to believe they would be working forever. Instead of

focusing on the amount of money one needs to accumulate, a much better way would be to focus on the income from investments.

Ortner, O'Brien & Ortner Advisory Group (OO&O) in Malvern surveyed a group of retired executives, professionals and business owners. Its intent was to determine the extent that their companies, or organizations, assisted them in making the daunting transition from full employment to retirement.

The results of that survey led OO&O to develop what it calls a proper pre-retirement plan.

Says John O'Brien, Certified Financial Planner and President of the Advisory Group, "Today, clients want a consultative advisor who creates an investment plan to support their spending policy during retirement. The so-called number any industry refers to is only useful once you first identify the goals and withdrawals required during retirement. We believe retirement should be regarded as an important transition in life, one that will be rewarding and made less stressful. In essence, treating one's retirement as the business of retirement." To that end, OO&O stands ready to lead clients gently and realistically through the process.



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Crisis in the American Dream

O'Brien sees a crisis in the American Dream, that is, going off into the sunset and into a comfortable and stable retirement isn't as easy today as it was yesterday. In a white paper titled Retirement Mastery & The American Dream, O'Brien and Vice President Frank Ortner, III, CPA, write: "Over the past fifty years, visions of retirement have changed; social and economic factors have made retirement a time for personal growth with a dependence on less limited financial resources. Additionally, affluent Americans have built more wealth in their earlier working years and, as a result, have chosen to retire earlier than most, or go into a consulting form of business on a part-time basis. These changes have corresponded to the increase in general affluence among middle to upper class Americans, as well as an increase in millionaire status, which reached 8.9 million in 2005. In fact, the affluent market is growing at a rate five times that of the general population. Hence, with more financial freedom, affluent retirees have been able to broaden their goals for retirement, and as a result, need a new strategy for retirement security."

The Retirement Lifestyle Plan

And so to get to the "Business of Retirement," OO&O has created a Retirement Lifestyle Plan, one that accounts for the clients' goals, values, and spending policies. It helps clients move from the vague to the specific, getting over the initial and self-defeating NUMBER that clouds the issue and calcifies doubt. Says William Helstowski, Advisor for Client Relationship

Management, "We feel that you should approach retirement as a new phase in your life. One that should give you the chance to discover new personal challenges and opportunities. We believe it is our job to be here as your family financial steward to serve you over the long run for a successful retirement."

From your first thoughts of retirement, to the time when you are no longer able to live independently, OO&O's Retirement Lifestyle Plan and its strong network of professionals in medicine and insurance offers peace of mind and financial security. OO&O begins the process with a Discovery Meeting where the firm sits back and listens intently to the clients' visions of retirement, their goals, their leisure time activities, their health, and the finances involved in all of that. "When clients sit down to talk about their lifestyle, they are forced to think about all the implications of their goals. For us, this drives us to figure out the cash flows that will be required to meet those goals. In turn, this drives our recommendations for asset allocation and investment policy. Clients retiring today need their assets managed like a private pension; and a sound pension plan is built around future cash flow requirements," says John O'Brien.



Clients Lynda & Jim Mansfield meeting with Frank Ortner, Jr., Esquire.

The total amount you'll need to save, along with how much you need to put away every year to reach that goal, depends on many factors. Often overlooked is the fact your lifestyle will change several times during the different stages of retirement. Almost nobody retiring today will require the same fixed monthly check every month for the next 30 years. The approach of OO&O goes beyond the numerical. It's about gaining knowledge and confidence in your ability and theirs.

It's your lifestyle that takes the foreground. THE NUMBER is relegated to the back burner. ●

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