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## **AUTHORS' NOTE**

*Women Wise* is the culmination of many years of professional experience, consulting, and research combined with three years of writing. Though the numbers, data, and laws mentioned within this book will change as times goes by, we believe the principles and stories we share will resonate with women for years to come. We're proud to have written this book and hope that it helps women everywhere feel more educated about their financial and lifestyle options post-retirement.



# INTRODUCTION

**S**ome are born with money wisdom, some achieve money wisdom, and some have money wisdom thrust upon them.

By this reckoning, we (Eleanor and Marjorie) have considered ourselves among the lucky ones. Throughout our careers as CERTIFIED FINANCIAL PLANNER® professionals, we both had the opportunity to counsel others through significant transitions in their lives from the financial angle—including retirement. We helped others find answers to questions that we were struggling with ourselves: *How do we navigate the changes that come with aging? Can we retire? When? What can we spend? What if we live “too long”—will we run out of money? How can we make the right choices when it comes to Social Security, Medicare, long-term care (LTC) insurance, and so forth? Where should we live? How can we tap into the equity in our homes without selling? How should we invest as we age? Do we need to update our estate planning?* And, of course, the most important question of all—*what will we do with our time?*

We both began our careers learning, certifying, preparing, and getting ready to answer these types of questions for others—and now, we’re doing it for ourselves.

Eleanor was born into a family where money sense was a survival skill. Her parents came of age in the Great Depression, and the money sense Eleanor acquired unconsciously and uncritically in her childhood was reinforced in college and grad school. Though she majored in English literature, she always saved her elective credits for economics courses. Realizing she would never get a great job analyzing the sonnets of Shakespeare or the narrative voice in Faulkner’s novels, she revved up her interest in financial markets and macroeconomics and went off to the University of Chicago for an MBA, followed five years later with a CFP® certification.

Thus endowed with what she considered to be an abundance of money sense, she started practicing as a CFP® professional dedicated primarily to women without similar skills. She experienced a number of significant life events in her late thirties and early forties that greatly enhanced her understanding of the financial issues faced by her clients. In the space of six years, she went through a divorce, sent her daughter to college, cared for and then lost both of her elderly parents, and settled their estates. She also became a partner in her financial planning practice. She acquired what can be called “insider” information—a perfectly legal form of intelligence—that enabled her to understand not just the facts and figures of financial issues but also the interior workings of hearts and minds.

In 2010, Eleanor wrote *Women’s Worth*, a financial advice book for women just starting out, to pass along this acquired wisdom, and in the final years of her career as a CFP® professional, she headed up a profession-wide initiative to attract more women to the field of financial planning. This involved careful research on the many barriers in the field that were discouraging or even hostile to women and proposing ways to eliminate these roadblocks. One of the more



important strategies was to shine a spotlight on successful female financial advisors and leaders in the hopes that a young female college student, a Girl Scout, a stay-at-home mom, and our daughters, nieces, and granddaughters might take note of these women and say, “I want to do what she does. I want to be like her.”

There was, however, one major life event that Eleanor had never experienced from the “inside” while she was a practicing CFP® professional—she did not have the real scoop on what it was like to be retired. Somewhat ironically, retirement has always been a major focus for unretired financial advisors, as we help clients project the money they need and draw upon, choose the type of accounts for their retirement savings, and advise them on how to invest and draw upon these savings. With details about their finances and some planning software, it was always easy to answer client questions. But it was only after she retired that she gained expertise in the emotional, mental, and spiritual matters of retiring and aging.

When she decided that she would stop working at age sixty-seven, her vision of her own retirement was not, shall we say, crystal clear. To be honest, her vision in general was none too great—nor was her hearing, balance, or knees. She looked and felt nothing like those poster boomers that you see in magazines taking cruises or playing tennis and golf in the middle of the day, even if she had managed to save as much money as they presumably had. The truth was that she had entered uncharted territory, and neither the money sense she had inherited from her parents, nor the financial expertise she had acquired in school and business was enough to make her truly confident and wise about her own retirement years.

She realized she needed a book to help her finish her life journey—to help guide her where she was headed. After much searching, she realized that book didn’t yet exist, so it was up to her to tap into her own sources of wisdom and write it.

When she sat down to identify the financial planning concerns of elder women, she thought about several of the extraordinary advisors she had worked with over the years who have special expertise on these issues, among the wisest and most compassionate women she knows. Because she strongly believes that women are well served when guided by other women, she invited these colleagues to share some of their answers to the hard questions that are posed by older age. While these women (and a few men) gave their time and expertise graciously, Eleanor recognized the strength of collaborating even more closely with one wise woman—Marjorie Fox—who had lived through an entirely different set of wisdom-building experiences in the final years of her career as a CFP® professional and after her retirement at age seventy-one.

Eleanor and Marjorie have known and admired each other since they worked in competing Virginia firms across the street from one another in the '80s. They have both been long committed to helping and mentoring women, whether as clients, business partners, staff, or colleagues.

Marjorie brings another financial mind to this book with the bona fides to match. She earned her bachelor's degree in economics from Pomona College; graduated with a JD from the University of California, Los Angeles, School of Law; and gained recognition as a successful female financial advisor in a field where women were few and far between. The profession of fee-only financial planning emerged just in time for Marjorie, and she was in the vanguard. It incorporated all her talents and the pursuits she loves—coaching and mentoring, tax and estate planning, risk management, retirement planning, investment strategies...and technology (at least until it left her in the dust!).

Even more critically, Marjorie brings the hard-earned wisdom of some considerable “I didn't ask for this!” moments that many of us confront during our later years.

While Marjorie has lived a long and full life, she has dealt with many difficult events she didn't ask for, such as being terminated in 2006 from the firm she joined in 1985 for refusing to sign a non-compete, nonsolicitation, nonservice agreement and then being sued when her clients followed her to the new firm she cofounded. She didn't ask for the significant losses in her life, including the deaths of her husband and her sister and the estrangement from her brother.

Almost everything has changed for Marjorie in the past five years; some for the better, and some not. David, her husband of forty-three years, died suddenly and tragically; her son, Doug, divorced and remarried; she sold her single-family home of thirty-seven years and purchased, renovated, and furnished a townhome. She retired from the firm she cofounded and helped to build. Though the poster of retirement life is one of settled simplicity, Marjorie, like many, is doing her best to accept and embrace a pre- and postretirement chapter marked by upheaval. She remains convinced that there will continue to be joy, love, and opportunities if she keeps her eyes open and has the courage to say yes. Marjorie's grace and wisdom are as invaluable as her keen financial sense in the pages ahead as she, Eleanor, and our readers navigate moments we did not ask for.

It's pretty apparent that getting old is not for sissies and certainly not for those who have lost their sense of humor. It gets even harder and less amusing when you add in two other dimensions, namely being a woman and living alone—a typical state of affairs (as we will examine later) for female elders. The unique money decisions arising from these demographics are not easy, even for veteran financial advisors. As we slow down, the world seems to speed up, making financial choices for us and our elder friends much harder and more confusing.

There are approximately five thousand women turning sixty-five every day in this country; many feel alone, unseen and unheard, in a culture uncomfortable with the realities of aging. We want to speak

to all those women who, like us, are facing some of the hardest money and lifestyle decisions of their lives. We have important things to share as women, fellow retirees, and professionals going through the same things you are, and in *Women Wise*, we aim to provide you with helpful guidance, drawn from our own lives and our professional careers. Whether you have already retired or are about to transition into the next chapter of your life, we'll help you answer some tough questions, including the following:

- How do the retirement years differ for women and men?
- Do I have enough to see me through my retirement years?
- If I haven't saved enough, what can I do at this point?
- When should I file for Social Security benefits?  
How do I ensure I get what I am entitled to?
- If I do have savings, how much can I take each year to avoid running out of money?
- Is there a smart withdrawal strategy for drawing down my savings?
- How should I invest those assets that I will need to support my lifestyle?
- What happens if I need long-term care? Can I even get the insurance at my age?
- How do I make sense of my Medicare options? There are so many plans, each of which has different premiums, deductibles, copays, coinsurance, and out-of-pocket limits.
- Should I stay in my home or look into senior housing options?
- How do I protect myself against elder financial abuse?
- How do I begin to talk with my family and friends about death and dying?

In the chapters that follow, each of these questions will be explored at length. Together, we can acquire elder wisdom gently and confidently. It isn't necessary to have it thrust upon us.