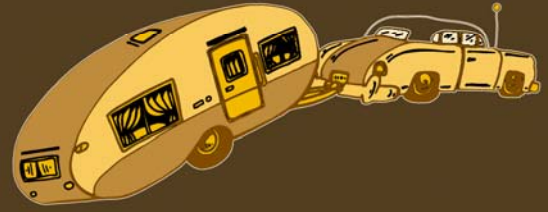


# Retirement Rambler

**SOUTHWEST**  
Retirement Consultants



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**Stowe, Vermont  
Recreation Path**

*Leaving automobiles behind, we will now ramble along some of the best hike and bike trails in America. Our first stop is a personal favorite, the Stowe, Vermont Recreational Trail. This 5.3 mile beauty offers spectacular views of the Green Mountains as it meanders, crossing the West Branch River 11 times on its way to Stowe Village. The route is dotted with swimming holes, too, for a refreshing dip.*

*If you have a favorite, send it along and we will include it in a future edition.*



## Retirement or Refinement?

When the Social Security system was established in 1935, the retirement age was set at 65. At that time, the average US male lived only to age 63. The expectation was that a person would be in retirement and out of work for just a short while.

As life expectancies have steadily increased over the past century (for you and a spouse both turning age 65 today, there's better than a 50% chance that at least one of you will make it to 90), the potential time spent in retirement has grown dramatically.

Whereas a Social Security recipient in 1935 was expected to enjoy only a year or two of leisure in retirement, that period has been stretched into a 20 or 30 year run for

many baby boomers, and the idea of that much leisure time is not particularly appealing, either financially or psychologically, to many of this generation.

The idea of a "total leisure" retirement is being rejected by the boomers. Instead, many are seeking a new equilibrium, a better balance among work, leisure and learning.

Boomers are returning to college in record numbers, some to complete degrees started long ago but many to study topics they simply "always wanted to know about."

Many early-retiring boomers are re-entering the work force and more than 80% of boomers say they intend to

continue to work in some form in retirement. Some choose to start that part-time business and others are seeking full-time but perhaps less stressful positions. Many choose to work because it provides a contribution to the community, not because they need the income. Unpaid, volunteer positions are increasingly popular.

Boomers are redefining retirement, and rightfully so. We probably need to jettison that word "retirement" and the accompanying "all leisure" concept. Instead, this phase of life is more one of "refinement" during which we are more selective about how we pick our pursuits and spend our time.

## Market Update

Index	Aug, 2007	YTD, 2007
Dow Jones Industrials	+1.40%	+8.79%
S&P 500	+1.50%	+5.20%
Russell 2000 (small cap US stocks)	+2.27%	+1.42%
MSCI EAFE (developed foreign mkts)	-1.56%	+7.40%
Lehman Bros Aggregate Bonds	1.23%	+3.07%
3-Month T-Bill	+0.41%	+3.45%

Source: Morningstar, Inc.

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