



How much time did you spend planning your last family vacation?
How much time did you spend watching TV this past week?
How much time have you spent planning for your life after age 60?

We spend more time planning annual vacations than we do retirement and later life—which can last 30 years or more. “Thanks to a lifetime of poor savings rates and fewer family members to provide care, the sheer numbers of people needing and eligible for publicly funded long-term care by 2030 could overwhelm the state budget,” Larhae Knatterud, Minnesota Department of Human Services planning director, wrote in a 2005 report to the Minnesota Legislature.

Where are you on the road to **financial security in later life?**

**Map a route and set your course using
proven financial tools from Extension**

Today, more than ever, it’s up to each of us to plan for our financial security in later life. Since the 1980s, retirement planning has undergone a major shift. From defined benefit plans to defined contribution plans, responsibility has shifted from employers to employees.

“How individuals prepare for later life has a collective impact on everyone,” Knatterud said. “People who prepare now are less likely to place increasing demands on limited public resources like government sources of income, health insurance and social services.”

While employees are increasingly responsible for their own retirement planning, the statistics are not promising: 40 percent of workers are not saving for retirement, 33 percent of workers age 51 to 61 have not yet begun to think about retirement, and one in five Minnesotans ages 40 to 69 are projected to have insufficient resources for basic living and long-term care.

In 2003, the Minnesota Legislature asked the state Department of Human Services (DHS) to study long-term care financing options. DHS staff turned to Extension’s Marlene Stum, Family Social Science professor, for her nationally recognized research in family resource management. Stum studies what factors motivate individuals to take personal responsibility and prepare financially for their retirement and old age. “Knowing how individuals make these decisions is crucial to developing successful policies and strategies,” Knatterud said.

Motivating individuals to plan and prepare for financial security in later life is a daunting challenge. How often have you been reminded about retirement planning, long-term care insurance or health directives and not taken action? You are not alone.

Stum’s research on the gap between people’s intentions and their actual behavior revealed several factors that widen the gap—perceptions or feelings about the problem and solutions, decision-making styles, knowledge, and prior experience. Using this information,



Marlene Stum

Stum led a team of Extension researchers and educators who have developed workshops and self-study materials on financial security in later life.

“Individuals need to make plans for the type of later life they want and how they are going to achieve their goals,” Stum said. “We learned that the work site is a very positive place to offer education and tools to help in the planning. People trust their employers to offer good products and it’s convenient—two important factors for taking action.”

For more information, see www.financialsecurity.umn.edu www.extension.umn.edu/FinancialSecurity



Chart your own course, set your own pace

Self-study tools from University of Minnesota Extension. Find them at www.financialsecurity.umn.edu/products.

Planning Ahead for Retirement

Complete guide to making difficult personal and financial planning decisions.

The Minnesota Health Care Directive

Planning tool kit to prepare in advance for incapacity and not being able to communicate your health-care wishes.

Financing Long-term Care

Web resource center with timely information on long-term care risks, costs and financing alternatives.

Who Gets Grandma’s Yellow Pie Plate?

Workbook, DVD and websites guide you and your family through complex family inheritance issues. Tools address six critical decision-making factors useful for planning ahead or making decisions when someone dies.

Take the Road to Financial Security in Later Life

Free online self-study course. Assess your preparedness for later-life financial security. Create a plan of action to meet your needs and goals.

Graphics designed by Jacky Kroupe from By Design, University of Minnesota College of Design.

Reaching employees in the workplace



Digi-Key Corporation’s Chris Vettelson works with Extension to offer financial education to their employees in Thief River Falls, Minn.

Employees need trustworthy financial education where they are—at work sites and on their own time—without the pressure to buy financial products or services.

In 2004, Extension educators worked with 18 employers across Minnesota to pilot work-site workshops on:

- identifying later life events that need action now
- understanding pension plans, IRAs and mutual funds
- estimating retirement income needs and sources
- learning criteria for making retirement investment decisions
- financing long-term care
- organizing financial and legal documents
- understanding Minnesota health-care directives
- transferring personal property.

Digi-Key Corporation, an electronic component distributor with a workforce of 1,800 in Thief River Falls, Minn., worked with Extension educator Glenice Johnson to offer its employees a pilot workshop on preparing for financial security in later life.

Attendance at the workshops exceeded expectations and Digi-Key’s human resources department received requests to offer more programs. “Our employees want to know about living wills, distribution of assets and organizing family papers,” said Digi-Key’s Chris Vettelson.

So Vettelson asked Johnson to teach four sessions of the Organizing Your Family Papers workshop, and again it was standing room only for Digi-Key employees.

“Extension’s education goes beyond specific work benefits like 401(K),” said Vettelson, who plans to offer more of Extension’s financial security workshops during the company’s brown bag lunch series. “Clearly our employees are interested.”