

RETIREMENT ADVISOR

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Staying Cool Under Pressure

Six Strategies for Dealing With Market Volatility

When the market's temperature keeps changing, it's easy to feel the heat — or as if you've been left out in the cold. Your workplace retirement plan can withstand these swings if you know how to keep your cool. Here are some smart strategies to help your retirement savings thrive despite unpredictable financial climates.

1. Don't Let the Heat Get to You

Market drops can make you sweat, but pulling your money out during a downturn locks in losses. Historically, markets bounce back over time. Instead of reacting emotionally, stick to your long-term strategy and ride out the fluctuations.

2. Keep Your Portfolio Well-Balanced

A stable retirement plan is like a well-regulated thermostat — balanced and consistent. Diversifying your investments across asset classes like stocks, bonds and cash equivalents helps reduce risk and smooth out the impact of volatile markets. Regularly review and rebalance your portfolio to stay on track.

3. Stay Invested During Cold Spells

When the market cools off, don't freeze your contributions. Continuing to invest during downturns means you're buying shares at lower prices, setting yourself up for potentially greater growth when the market warms up again.

4. Don't Get Burned by Market Timing

Trying to guess what market will do is nearly impossible. Therefore, it's important to stay disciplined by making consistent contributions and avoiding rash decisions based on short-term movements. Missing even a few of the market's hottest days can seriously dampen your long-term returns.

5. Adjust Your Risk as You Approach Retirement

As you get closer to retirement, consider dialing down an appropriate amount of risk to help preserve your savings. Gradually shifting to more conservative investments can help protect your nest egg from sudden market chills.



Keeping your cool during market volatility takes patience and strategy. Stay calm, keep contributing and stick with your long-term goals.

6. Consult With a Market Climate Specialist

When the financial climate leaves you feeling uncertain, an experienced advisor can help you put things in perspective and maintain a steady investment strategy. Don't hesitate to seek guidance tailored to your unique situation.

Some of your resources, like your pension or income from work, are stated in terms of monthly income. Others, like your 401(k) balance or proceeds from selling property, are (or will be) in the form of a lump sum of cash. Seeking advice from a wealth management expert like your Deschutes Investment Consulting advisor can help you estimate a monthly income that includes both. You may also want to seek the advice of a CPA who can help you determine any potential tax liabilities.



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Building a Bridge

Semiretirement Can Help Bridge the Gap Between Full-Time Work and Complete Retirement

Semiretirement is a transitional phase between full-time work and complete retirement, allowing individuals to reduce their work hours or shift to less demanding roles while still earning an income. It's an increasingly popular option for those who aren't quite ready (or financially able) to stop working entirely but want more flexibility and time for personal pursuits.

Semiretirement can take various forms, depending on an individual's goals and financial needs. Some people scale back hours at their current job while others transition to part-time roles, freelance work, consulting or even starting a small business. Key advantages of semiretirement include:

- **Financial security.** Provides a continued income, which helps preserve savings and delay drawing down retirement accounts.
- **Mental and physical well-being.** Promotes well-being by maintaining a routine and sense of purpose through part-time work.
- **Flexibility.** Allows for more personal time without fully giving up the benefits of working.
- **Gradual transition.** Eases the psychological shift from a career-focused life to full retirement.

A Six-Step Plan for Achieving Semiretirement

Successful semiretirement requires careful financial and lifestyle planning, including:

1. **Financial assessment.** Evaluate your current savings, retirement accounts and income needs. Calculate how much you need to supplement your retirement savings with part-time work.
2. **Flexible income streams:** Identify potential income sources, such as consulting, part-time employment or nonretirement investment accounts, to ensure you're financially secure.
3. **Healthcare coverage.** Consider how you'll maintain health insurance, especially if leaving a full-time job with benefits. Options might include Continuation of Health Coverage (COBRA), spousal coverage or private insurance.



4. **Social Security strategy.** Delaying Social Security benefits can increase your monthly amount later. Decide whether to claim early or wait.
5. **Skill assessment and career pivot.** If you're planning to shift industries or take on freelance work, upskill or retrain as needed before scaling back.
6. **Lifestyle adjustments.** Practice living on a semiretirement budget to see if it's sustainable.

By planning ahead, you can create a flexible, fulfilling lifestyle that bridges the gap between full-time work and complete retirement.

Hatching a Savings Idea

Egg Prices Ruffling Your Feathers? Consider Keeping Backyard Chickens

As egg prices (and shortages) have climbed in recent times, so have the number of backyard chickens. Approximately 11 million U.S. households have backyard chickens, according to the [latest data from the American Pet Products Association](#). That's close to double the number of households with backyard chickens since 2018. Whether you're looking to save money or simply embrace a more sustainable lifestyle, backyard chicken farming might be worth checking out.

What is Backyard Chicken Farming?

Backyard chicken farming involves raising a small flock of hens right in your backyard or garden, even within city limits. As more municipalities update their ordinances to allow backyard chickens, many people are taking advantage of an opportunity to take control of their food supply and have uninterrupted access to fresh, high-quality eggs.

The initial investment in a coop and supplies can range from \$300 to \$1,000. However, each hen can typically lay up to 300 eggs per year, making it a worthwhile venture for those looking to offset grocery costs over the long term. In addition, chickens contribute to composting efforts by providing nutrient-rich manure, and they're surprisingly efficient at reducing food waste by eating kitchen scraps.

Keeping It Real

Of course, raising chickens isn't without its challenges. You must gather eggs every day, make sure they have plenty of food and water and clean the coop on a regular basis. Typical backyard hens can live from eight to ten years, so raising chickens is not a short-term job. In addition, chickens also require adequate space – three to four square feet of space apiece in a coop and at least the same amount of space in a run. There are many options available, including coops on wheels that can be moved around a yard and coops that can be built for less than \$100.

Here are two resources to learn more about backyard chicken farming:

- **Backyard Chickens** (www.backyardchickens.com). A comprehensive community with forums, coop designs and advice from experienced chicken keepers.
- **The City Chicken** (www.thecitychicken.com). A guide specifically geared toward backyard chicken farming that covers setup, care and city regulations.



Retirement in Motion

TIPS AND RESOURCES THAT EVERYONE CAN USE

Knowledge Is Retirement Power

Many retirees are embracing the freedom and adventure of recreational vehicle (RV) living, turning their next life stage into a journey across the country. Full-time RV retirement offers a flexible lifestyle, lower living costs and the opportunity to explore new places and visit family — all while maintaining the comforts of home. For more information, check out websites like **Escapees RV Club** (escapees.com), which offers support and community; **RV Life** (rvlife.com), for trip planning and tips; and **Go RVing** (gorving.com), which features guides on choosing the right RV and budgeting.

Q&A

What is vesting and why does it matter?

Vesting determines how much of your employer's contributions you own if you leave your job (your own contributions are always 100% vested). Employer matching contributions may vest immediately in some plans, whereas other plans may follow a vesting schedule. Companies use vesting schedules to encourage employees to remain with the company for a longer period, reducing turnover and associated costs. The two most common types of vesting schedules are cliff and graded. Cliff vesting is where all employer contributions vest at once after a specific period (e.g., one year or three years). Graded vesting is where employer contributions vest gradually over time, often in equal increments each year.

Quarterly Reminder

It's time for a gut check on your 2025 financial resolution to increase your current retirement plan contribution rate. Did you increase it like you promised yourself back on January 1? If not, now is the time! Make sure you're contributing at least enough to receive the full employer match (if offered).

Tools & Techniques

A no-spend challenge is a personal finance exercise in which individuals or households commit to not spending money on nonessential items for a set period of time, usually ranging from a week to a month or even longer. The goal is to cut back on discretionary spending — like dining out, entertainment or impulse purchases — while focusing on necessary expenses such as rent, utilities, groceries and bills. Participants often use the challenge to save money, build better spending habits or reset their financial mindset. To learn how to create a no-spend challenge strategy, check out: <https://tinyurl.com/muf45k5n>.

Corner on the Market

Basic Financial Terms To Know

Systemic Risk. The risk inherent in the overall market or economy that affects all investments, such as economic downturns or inflation. Although diversification cannot eliminate systematic risk, it can help reduce exposure to specific market risks.

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