MONEY AT WORK

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How Confident Retirees Think Differently About Their Future

Confident retirees approach their future with optimism and resourcefulness, focusing on possibilities rather than limitations. These seven tips show you how you can do the same. Retirement marks a significant life transition, and how individuals approach this phase can vary quite a bit. Confident retirees — those who approach their future with a sense of optimism and certainty — tend to think differently than those who face retirement with hesitation and fear. A mindset shaped by proactive planning, adaptability and above all, a positive outlook, sets confident retirees apart.

1. They focus on possibilities, not limitations

Confident retirees view retirement as an opportunity for growth and adventure rather than a period of decline or inactivity. Joe Cronin, President at International Citizens Insurance, puts this in perspective. “Confident retirees view retirement as a dynamic phase rather than a static chapter of their lives, so they keep learning and remain adaptable. They actively seek out new knowledge, whether through the acquisition of new competencies or the pursuit of interests that foster ongoing engagement.”

Instead of dwelling on what they can no longer do, whether due to health, age, or finances, confident retirees focus on what’s possible. “They might also actively seek out new knowledge, whether through the acquisition of new competencies or the pursuit of interests. In other words, they like keeping the mind active and attentive,” Cronin adds. “They approach learning a new language for future trips or new digital tools for managing finances as an opportunity rather than a threat.”

This mindset, centered on possibilities rather than limitations, allows retirees to tackle challenges head-on with enthusiasm.

2. They set their sights on what matters

While many people plan for retirement, self-assured retirees take it a step further by planning with purpose. This means they not only secure their financial future but also define what a satisfying retirement looks like. They set clear goals for how they want to spend their time, whether it's traveling, staying active in the gym, or volunteering in their community.

Cuan Tait, Chartered Financial Planner at Raymond James Barbican, points out that confident retirees build plans that still work when things get messy. "That may be as simple as keeping a slightly larger cash buffer or building in flexibility so a bad year doesn't knock everything off course." By setting their sights on what matters, they create a roadmap that not only inspires confidence but also provides direction.

"They don't just set a retirement plan once and forget it," said Melissa Murphy Pavone, founder and financial planner at Mindful Financial Partners. "They revisit it regularly, making adjustments as life, markets, or their health needs shift, which gives them peace of mind. It is not a set-it-and-forget-it strategy. Things change, and plans have to change too."

3. They can adapt when necessary

Since crystal balls that predict the future are in short supply, self-assured retirees accept this fact. Instead of fearing change, they embrace it. Whether it's adjusting to unexpected health issues, market fluctuations that affect their savings, or shifts in family dynamics, they meet challenges head-on and adapt. This way of thinking may evolve over time and often stems from an upbeat attitude that says, I can handle whatever comes my way.

For example, if a retiree can no longer afford their family's annual trip overseas, they might pivot to travelling cross-country instead, or exploring nearby destinations via a road trip. This flexibility ensures they maintain a positive outlook, without becoming cynical about the future.

4. They prioritize their health

Confident retirees recognize that their physical and mental health are crucial to enjoying a long and happy retirement. That's why they invest time and energy in their health, whether through regular exercise, a balanced diet or attending a conference on mindfulness.

Cronin shares this view. "They realize that longevity is a gift that comes at a price. Having a body and mind in the best shape possible is fundamental to enjoying the complete freedom that they worked so hard to earn."

They also stay socially connected. A strong support network not only combats loneliness but also provides a sense of belonging and purpose. The Harvard Study of Adult Development emphasizes that strong social connections — through family, friends, and community — outweigh factors like wealth, fame or even genetics in promoting well-being and extending life.

By prioritizing their well-being, retirees not only enhance their quality of life but also build confidence in their ability to remain independent in their golden years.

5. They rethink stereotypes about aging

Society, in general, often portrays aging in a negative light, but confident retirees reject this narrative. Instead, they view aging as a privilege and an opportunity to live with the wisdom, perspective, skills and values they've learned over the years. This mindset allows them to approach their future with enthusiasm rather than being crippled by fear and anxiety.

For example, rather than dwelling on physical limitations, a retiree might fill their days with activities they love, whether it's gardening, painting, or spending time with their grandchildren. By rethinking their perspective on aging, in spite of the many aches and pains that spring up, confident retirees cultivate a sense of gratitude that fuels their happiness.

6. They make strategic financial decisions

Financial security can build retirement confidence, and confident retirees stay informed about their finances and stay educated about their investments. Tait emphasizes that they know their “enough” number. “Once they understand what their lifestyle costs and how their income lines up with that, a lot of the noise drops away. They are not glued to the markets or chasing every last bit of return. That clarity gives them the space to enjoy their lives rather than worrying constantly.”

Cronin adds that confident retirees also often seek to generate additional revenue sources. In addition to pensions or Social Security, they value the importance of earning net income from investments, rental property or part-time consulting.

“With multiple income streams, confident retirees can withstand financial market fluctuations,” he says. “Staying financially informed also allows them to maintain their desired lifestyle, while also providing them a sense of financial security and peace of mind.”

Jared Kessler, founder at Forex Broker, agrees. “This layered approach allows them to hedge against a down market or unforeseen expenses, but more importantly, it gives them flexibility and the ability to match their desired lifestyle while minimizing the need to tap into early long-term savings.”

7. They make big decisions early

Tait further stresses that income strategy, estate planning and family conversations are all things confident retirees deal with while they are healthy and clear-headed. “When change inevitably comes, they are ready, not scrambling.”

How to retire with confidence

Confident retirees think differently about their future by focusing on possibilities, planning with purpose, and adapting to their circumstances with confidence. They prioritize their health, rethink their views on aging, build a strong support system and stay financially informed. This mindset not only enhances their retirement experience but also serves as a model for others approaching this time in their lives.

By adopting these perspectives, anyone can cultivate the confidence needed to thrive in their golden years, turning the future into a time of growth, joy and fulfillment.

Seven Financial Considerations When Downsizing for Retirement

When thinking about where you will live, cost is an obvious factor, especially for retirees who are living off their savings and have to make that money last a lifetime … but it's not as clear cut as it might seem.

1. Housing costs: More than just dollars and cents

All the other categories we are going to talk about come with more black-and-white numbers than housing, because the true cost of housing involves a lot more than just the listing price.

It's also hard to decipher housing costs as a transplant. You can look at median housing costs, but they likely won't tell the whole picture.

Here's what we do know. Cities are more expensive. The Northeast and West Coast are very expensive. The farther you get from these places, typically, the less you will have to pay.

The question most people ask when considering a move to a much cheaper home is: "How much more will I be able to spend per month?"

Of course, you can back-of-the-envelope this by just seeing how much lower your housing costs would be. But if you want the full picture that factors in tax rates, maintenance costs, etc., you need financial planning software.

2. Estate/inheritance taxes can vary widely

The District of Columbia has an estate tax but no inheritance tax. Maryland has both an estate tax and an inheritance tax.

As of 2025, fewer than a third of states have an inheritance tax, estate tax or both. As the federal estate tax exemption has grown so large, states have moved away from this tax. That said, this is still a consideration for many of our clients in high-tax states.

3. Carefully compare state income tax rates

On the West Coast, if you're looking for a tax-friendly place to put down roots you move to Washington or Nevada. On the East Coast, it's Florida or Tennessee. In the South, tax-friendly Texas is for the cowboys and Musk-lovers. There are now nine states that have no income taxes.

Having no state income taxes is a pretty good sign that the state is overall tax-friendly, but it can often lead to higher taxes on some of the other categories we'll discuss next.

Once again, the Northeast is expensive, especially when it comes to income taxes. The picture is not always black and white.

For example, in Maryland, the taxes look comparable to Virginia, with a progressive tax rate that tops out in the 5% to 6% range.

However, Maryland has county supplements that add up to an additional 3.2%, which puts the state in the same range as D.C.

This locality tax is not unique to Maryland and must be considered when evaluating new home states, counties and townships.

4. Property tax rates play a role

Often when income tax rates are low, property tax rates are high. See Florida and Texas. This can get a little muddy when you consider market value vs. assessed value.

In theory, these should be the same, but there are many areas where assessed values are considerably lower. Both Zillow and Redfin allow you to see past tax assessments.

Many states also offer property tax discounts for seniors who have lived there for a specified number of years. It may not be a factor for that reason, unless you are considering downsizing in the same state.

5. Taxation on retirement accounts and pensions

Aside from your house, your retirement accounts are likely your biggest assets, and how they are taxed could have a big effect on your bottom line.

Retirement accounts. This applies to IRAs, 401(k)s, 403(b)s, TSPs and basically any retirement account that you have yet to pay taxes on.

Obviously, the nine states that have no income taxes will not tax distributions from your retirement accounts. But there are a handful of states that have a state income tax, but do not tax distributions from retirement accounts.

This is one reason that, while Pennsylvania is not often considered tax-friendly for workers, it is friendly for retirees. The more you have stashed away in pre-tax accounts, the more this matters.

Pensions. The reason these two categories are grouped together is that most of the states that exempt retirement account distributions exempt several sources of retirement income.

You should pay particular attention to this category if a large percentage of your retirement income is from a public or private pension.

An increasing majority of states fully or partially exempt military pensions. As of 2025, California and D.C. are the only two places that fully tax military pensions.

6. Taxation on Social Security

Most states do not tax income from Social Security. Some of the few that do include Colorado, Connecticut and Vermont. Like so many of these things, this is not black and white. The majority of the states that do not tax Social Security have income bands or AGI limits on those tax benefits.

7. Don't be dazzled by states with no sales tax

Delaware is often referred to as the "tax-free state." This is misleading. Delaware has property taxes and income taxes but does not have sales taxes.

I think the focus on sales tax is often overrated. Let's say that you spend $10,000 per month. In many states, only about 50% of that spending is subject to income taxes.

Let's say you pay 5% on that $5,000, that's $250 per month or $3,000 per year. That's the difference if you're comparing 5% to 0%. The point is that you should not let a few points' difference make or break your decision.

The bottom line on considering housing costs in retirement is that you need to look beyond the home's price. Taxes can be a huge factor for retirees, and taking them into account is always a smart idea.

The 12 Travel Tips Every Retiree Needs to Know

Many people travel in retirement. And a lot of them aren't traveling on the cheap: Americans aged 50 and older say they plan to spend more than $6,840 on vacations in 2025, about 3% more than a year ago, an AARP survey found.

Some plan to venture abroad, while others plan to travel stateside. But no matter where you're headed, there are steps you can take to make vacationing in retirement smoother, more enjoyable, and less expensive.

1. Pack light

Nobody wants to schlep around heavy bags, but traveling light is especially important if you have mobility issues or physical limitations of some sort.

"We try to never pack more than we can carry in one trip," says Veronica James, who chronicles her travel experiences in retirement with her husband, David, at the Gypsy Nesters blog. "This eliminates leaving bags lying around while flagging a cab or catching a bus, or even while we are checking into a hotel. Everything is always with us."

Tip: Buy a few packing cubes — small, compressible bags that you can use to fit more clothes in your suitcase.
It can be hard for boomers to hear that their children don't want some or all of their things, especially if they thought those items would be heirlooms. "I hear it time and again: 'These were all supposed to be worth something,'" Wilson says.

2. Fight jet lag

"One issue that has definitely not gotten better [with age] is jet lag," Veronica says. "Living in Southern California and having our daughter and grandchildren nine time zones away in Paris has led us to some world-class bouts of jet lag over the past few years."

To combat jet lag, the Jameses like to break up their trips to Paris by stopping in New York or Boston, where they visit family for a few days before resuming their trip across the Atlantic.

Tip: Stay hydrated while you're flying, since dehydration can worsen the physical symptoms of jet lag, studies show.

3. Choose an aisle seat on long flights

Older people are at greater risk of suffering deep vein thrombosis brought on by a lack of movement. If you're taking a long flight, selecting an aisle seat can make it easier for you to stand and stretch, which will also help to prevent your muscles from becoming tense and stiff.

Tip: To help prevent blood clots, the National Blood Clot Alliance recommends walking for 30 minutes before boarding a flight. Wearing compression socks can also help reduce the risk of blood clots if you have circulation issues.

4. Stay hydrated

Extreme heat is more dangerous for older people, whose bodies are at greater risk of dehydration, according to the Cleveland Clinic. Make sure to drink plenty of water while traveling and watch out for signs of dehydration, such as fatigue, dizziness, dry mouth, headaches, chills, muscle cramps, or flushed skin.

Tip: In addition to drinking water, eating foods that are high in water content, such as cucumbers, bell peppers, apples, watermelon, and celery, can help you stay hydrated.

5. Watch out for travel scams

About one in three adults say they've been scammed when booking or taking trips, with a third of those losing $1,000 or more, a recent McAfee survey of over 7,000 people found. Although anyone can fall victim to a travel scam, older travelers should be extra vigilant, since they're often targeted by fraudsters.

Tip: Be suspicious if you don't see a contact page or a physical address, phone number, or email address on a travel booking website. It could be an indication of a bogus company that's out to hijack your travel dollars. If you do fall victim to a travel scam, report the fraud to the FTC online or by calling 877-382-4357.

6. Consider alternative destinations

You may very well have a "bucket list" of places to visit that includes popular tourist destinations. But you could save money — and avoid large crowds — by traveling to less-frequented cities. According to AARP, 29% of those ages 50 to 59, 23% of those in their 60s, and 18% of adults 70 and older say they're willing to visit unique or off-the-beaten-path destinations.

Tip: Looking to travel to Europe? Instead of going to highly sought-after destinations like Italy, Spain, or Amsterdam, consider less-frequented countries such as Lithuania, Bulgaria, or Georgia, where you can find cheaper flights and hotel rates.

7. Take advantage of discounts for older travelers

Keep an eye out for cheaper hotels, cruises, and rental car rates for older travelers, as well as discounts at restaurants and attractions.

Tip: Planning to travel by train in the U.S.? Amtrak offers customers 65 and older a 10% discount on most rail fares and routes. Love exploring national parks? People ages 62 and older can purchase a one-year America the Beautiful — the National Parks and Federal Recreational Lands Pass for just $20 or a lifetime pass for $80.

8. Never put medications in checked luggage

Always keep your medication in a carry-on bag on to avoid issues if your luggage gets lost.

Tip: Carry a list of your meds, with your doctor's contact information, in case you need to replace any lost medications during your trip.

9. Purchase travel medical insurance

Medicare might provide you with limited emergency care coverage when you're traveling outside the United States, but it won't cover most medical evacuations.

That's where a travel medical insurance policy comes in. The average plan in 2025 costs $90, according to travel insurance comparison site Squaremouth, but costs can vary depending on your age and the policy's coverage limits and exclusions. Even healthy seniors could benefit from purchasing a policy, since older people are more prone to falls and accidents due to decreased bone density, balance issues, and slower reflexes.

Tip: If you have any pre-existing medical conditions, make sure the travel medical insurance policy covers them.

10. Utilize memberships for travel deals and discounts

Jennifer Huber, author of the Solo Travel Girl blog, says she takes advantage of her memberships to AAA and AARP to score lower hotel rates. Moreover, "I hold an annual membership to the Peace River Botanical & Sculpture Gardens in Punta Gorda, Florida, and because they belong to the American Horticultural Society's Reciprocal Garden Network, I receive free admission to more than 360 [gardens] in North America," she says. "Last year, I visited at least four gardens during my travels, in addition to the home gardens, so the membership paid for itself."

Tip: If you like to go to museums while you travel, consider joining a museum that includes access to the North American Reciprocal Museum Association, which offers free admission to hundreds of cultural institutions across the U.S., Bermuda, Canada, the Cayman Islands, Puerto Rico, and Mexico. You can find participating museums on NARM's website.

11. Choose a hotel that meets your needs

Not all hotels can accommodate guests with mobility issues. If stairs are a problem for you, make sure the hotel has a working elevator—or see if they can provide you with a room on the ground level.

Tip: If you use a wheelchair, call the hotel and ask whether the bathroom is spacious enough to fit a wheelchair and whether the shower has grab bars.

12. Use a travel rewards credit card

"One of the most important ways to cut your travel costs is to get credit cards that provide the most travel benefits," says Jim Ferri a retired travel agent and the author of the Never Stop Traveling blog. In fact, many credit card companies market their rewards cards to retirees, who often have a significant amount of disposable income earmarked for travel. "Credit card companies, especially those in the travel industry, are eager to have you as a client," Ferri says.

His advice: "Look for cards that provide many benefits, such as thousands of points in sign-up bonuses, airline incidental statement credits, and free or discounted Global Entry or TSA PreCheck application fees."

Tip: Check out Kiplinger's list of the best travel rewards credit cards to find a card that suits your spending and travel behaviors.

The 'Ted Lasso' Effect: A Positive Outlook Really Can Strengthen Your Retirement Plan

Optimism like that of the fictional soccer coach can surprisingly improve your retirement planning by encouraging better saving habits and a more positive outlook on your financial future.

Ted Lasso, the fictional soccer coach, won over his team's players, fans and management with his infectious optimism and knack for seeing the good in people.

One of his mantras — "Be curious, not judgmental" — doesn't just make for feel-good TV; it's a mindset that can be surprisingly powerful in retirement planning.

When it comes to your financial future, most advice focuses on numbers: how much you've saved, your withdrawal rate, how long you might live. But there's evidence that how you feel about the future may matter just as much — if not more.

Optimism can foster better saving habits, support financial security and help keep your plan on track.

A surprising predictor of financial preparedness

Research shows optimism strongly correlates with proactive financial planning:

Higher savings. Optimists save 16.9% more on average than their less optimistic peers, even after factoring in age, income and background, according to one study.

Better retirement planning. Another study, conducted by Michael Finke, a professor at the American College of Financial Services and about which he wrote for Think Advisor, reveals that optimists are 67% more likely to estimate their savings needs and 75% more likely to save at least 10% of their income.

Greater preparedness. The study also found that optimists are 118% more likely to feel ready to live to age 100 and 53% more likely to convert retirement savings into at least $1,000 in monthly income through products such as annuities.

The same study reports that more than 40% of optimists devote significant effort to their health, and nearly three in four feel confident about life in their 80s — mindsets that support longer, more financially secure retirements.

Why optimism drives action

Behavioral economists note that decisions about saving and spending aren't purely rational. They're shaped by beliefs, emotions and our view of the future. Optimists tend to picture themselves thriving later in life — and are more likely to act now to make their vision real.

That mindset shows up beyond finances — in healthier eating, regular exercise and better stress management. Personal wellness and financial wellness often go hand in hand. If you believe your future is worth investing in, you're more likely to invest.

The longevity factor

Optimism may even add years to your life. According to MIT, optimists tend to live 11% to 15% longer on average than pessimists and have a strong potential to achieve "exceptional longevity." That's not just an emotional benefit — it's a financial game-changer.

With longer lifespans and medical advances, today's retirees may live far beyond previous generations. Some projections suggest the age 100-plus population in the U.S. could quadruple over the next few decades. Planning for that future requires more than spreadsheets — it requires vision.

And looking ahead, optimists are 237% more likely than pessimists to afford living to 100.

From fear-based to future-focused

Financial messaging often leans into fear: "You might run out of money." "What if the market crashes?" While those risks are real, fear rarely inspires good decision-making. It can lead to short-term thinking and inaction. Optimism flips the script, turning stress responses into purposeful action.-What kind of life do you want your future self to live? How can financial security support that vision? What steps can you take today to get closer to that goal? By focusing on opportunity instead of scarcity, optimists make more intentional choices — and feel better along the way.

What this means for you

You don't have to be naturally optimistic to benefit. Optimism is a skill that can be strengthened through small, consistent actions. Visualize your future. As Albert Einstein said, "Imagination is more important than knowledge." Picture the life you want — then make choices that support it.

Focus on what you can control. Did you know 7 in 10 Americans rank financial strain as the greatest threat to their mental health? Automate savings, diversify your portfolio and make a plan. Steady income can remove a great deal of financial stress.

Reframe your self-talk. The way we speak to ourselves influences our actions. Encouragement fuels momentum, self-doubt stalls it. Find your Lasso. My father had a "Lasso-like" approach in retirement, focusing on passions and purpose through ups and downs. If you're not naturally optimistic, find a mentor, coach or friend who inspires you. Optimism isn't about ignoring risks or pretending challenges don't exist. It's about believing your future is worth preparing for — and acting accordingly.

A positive outlook, paired with a solid plan, can reduce financial stress, strengthen your confidence and help you navigate uncertainty with clarity. Channeling your inner Ted Lasso and believing in yourself isn't just good for your mood — it's a powerful tool for retirement planning. With a fourth season of the show in production, there's even more reason to look ahead with optimism. After all, a good laugh and a positive outlook can be as valuable in retirement as any item on your balance sheet.