

# Retirement planning and reality

**Bronlyn Schoer**

*Editor's note: The article below is a summary of the presentation that Bronlyn gave to the NSWSPC Principal Futures Reference Group in June 2017.*

## **My circumstances and financial planning ...**

I withdrew from the 'old superannuation scheme' in my early 20's because there was little financial advice in those days, but did contribute to the subsequent defined benefits scheme for the final 18 years of my career.

Once our home mortgage was paid off I didn't want to 'fritter away' the funds used for the loan payments so I purchased a modest investment unit in 1999, taking advantage of negative gearing provisions against my principal's salary. This was the beginning of any 'real' financial planning for retirement.

Throughout my working life, my husband and I always had a planned household budget and therefore had an accurate idea of our real cost of living, including the costs of travel. At least 4-5 years before our projected retirement date we asked the question: How much money would we have in super at a range of possible retirement ages?

One year prior to our projected retirement date we did our sums: How much does it cost us to live NOW? What big-ticket items did we want to spend some money on, e.g. campervan, new car, house renovations, overseas travel etc? These questions enabled us to determine if we could leave fulltime work.

We subsequently made the decision to retire 'early' – myself aged 57 and my husband aged 58. I took LSL for 7 months until a new pay case came in to maximise my lump sum payout.

## **Moving into retirement ...**

I wanted to work part time as an extension of my work in the area of leadership professional development, volunteer in a social justice organisation, have an active leadership role in my service club Zonta International, continue to enjoy opera, music and theatre, travel in Australia and overseas and support elderly parents who subsequently died two and 3½ years after my retirement.

We established a business partnership, got an ABN number, opened a Teachers Mutual Bank business account, printed some business cards etc and researched casual pay rates at CEO level to have a guide for appropriate consultancy fees. Most subsequent work for DoE and individual schools has been as a contractor. I also undertook a training course to be an accredited Coach to add value to my consultancy services.

My husband worked briefly as a casual teacher in TAFE, then in the area of environmental education and project management for about eight years on a casual basis to boost the 'fun' bucket for travel. He has maintained his passion and energy for environmental advocacy which provides both social connections and intellectual stimulation – each very important.

A modest legacy from my parents enabled me to fully own the investment unit I had bought and establish a share portfolio which is managed professionally – thus our retirement income is generated from a mix of my State Plus allocated pension, rental income, share dividends and a declining modest income from my consultancy ... plus my husband's indexed pension. My retirement income is still compromised severely by my ill-informed decision of the early 1970's!

## Ten years on ...

We continue to travel extensively all over Australia and overseas, I volunteer on a weekly basis supporting refugee students, I still have about five days per school term of paid consultancy work and I have a state-wide leadership role in my service club, Zonta International.

Good health and well-being are very important for an enjoyable retirement. A modest amount of exercise is necessary to enable us to travel to some remote locations or enjoy the attractions of overseas destinations.

My retirement has worked well for me, but I believe you need to PLAN to have control over your notion of identity (no longer the respected principal), to maintain and nurture friendships, to ensure intellectual stimulation and to ensure you don't become isolated. Not having immediate family, we do not have close interactions with grandchildren but we have nurtured close relationships with young people who keep us connected to their world.

Retirement is there to be enjoyed, keep adding to your skill set, nurture valued relationships, make new friends based on new shared interests and have fun – unpredictable surprises of both a positive or negative nature will always be in the mix. So, if you have the time, the financial resources and interest, just DO IT.

The best advice I received from a State Super financial advisor early in my retirement was that I had spent 40 years saving for retirement, so within sensible parameters, just move into a mindset of spending – that's what the funds are there for!

## Contributor details

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Bronlyn was the principal of Lucas Heights Community School, 1992-2006. Since retiring from the Department she has consulted in the area of school leadership and combined a deep interest in voluntary roles supporting young women and students from a refugee background. Bronlyn is a Life Member of the NSWSPC and has enjoyed many travel adventures since retirement with her husband Gary, both in Australia and overseas.