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## Working later

Over 50, looking for a job, or planning to switch jobs? 33.4% of the US labor force is now aged 50 and older, vs. 25% 14 years ago. A recent article in the *Wall Street Journal*, "Five Myths About Landing a Good Job Later in Life," counters the popular assumption that if you're over 50, all you can do is accept a low-paying or low-skilled job. What are the five myths?

1. *You won't find a good job.* Boomers are living longer, are better educated, and are healthier than past generations. Their work experience is considered a plus. In a service-driven job market, brain power counts more than muscle power.
2. *Time off from work kills your prospects for working again.* Though the odds of being re-employed do decrease as you get older, a study that tracked thousands of 50+ workers over 20 years found that 60% of the participants who took a work break were able to move into new jobs.
3. *You won't contribute like you did before.* Not only does there appear to be little relationship between your productivity and your age, according to numerous studies, but those years of experience actually give you a leg up. You tend to make fewer errors. Add judgment and wisdom to your experience, and you can also serve as a role model for younger employees.
4. *Part-time work is all you'll get.* The rise in full-time employment for those over 65 (tripling since 1995) means there are jobs for older workers to fill, especially in white-collar and service positions.
5. *I couldn't start my own business.* In 2015, about a quarter of new businesses were started by people between the ages of 55 to 64. Experience, coupled with a desire to be independent, pursue an interest, or simply supplement one's income provide advantages that result in higher success rates as entrepreneurs.

PBS's online journalism service for America's booming older population, [Next Avenue](#), has a section dedicated to [Work & Purpose](#). Worth a look.

## A kitty for Kitty?

Most pet owners know the sinking feeling after hearing the words at the vet's office, "Fluffy is going to need some tests." It's hard enough knowing that your animal friend is unwell, but pet medical bills can mount up rapidly. Does pet insurance have any value? Well, it depends.

Unfortunately, pre-existing conditions are almost never covered, and not all kinds of pets can be insured. Plans offered by the major pet insurance carriers can cover accidents alone; accidents and illness; and/or routine wellness care. The cost of coverage (on average \$22/month for a dog and \$16/month for a cat as of 2015) can depend on your animal's breed, age, the deductible you choose, and the cost of veterinary care in your area.

In the May 2016 story "Is Pet Insurance Worth the Cost?", *Consumer Reports* ran the numbers for two sample pet illness scenarios and the associated bills, and found that only one out of the three policies analyzed yielded an overall savings for the owner. However, in the event of a serious accident or chronic

illness requiring intensive long-term care, all three policies would likely have paid out more than they cost. Talk to your vet about your pet and the likelihood of hereditary illness. Ask about their experience with pet insurers. Pay for routine care out of pocket. Look for discounts (Healthy Paws, for example, offers a 10% lifetime discount to AAA members). Examine sample policies carefully, and be sure to note how costs may increase as your pet ages. Or put enough away in your kitty's kitty to cover any emergency that may arise.

## Mutual admiration

If you want the best return on your investment in auto insurance, take a close look at mutual insurance companies, which are owned by the policyholders, much like credit unions. Some mutuals pay dividends to their policyholders; most do not. Private insurance companies, which are publicly traded, have a divided loyalty between satisfying their policyholders with payouts and their shareholders with profits.

Consumers often make their auto insurance choices based on premium cost alone. A study by data analytics company ValChoice analyzed the last five years of claims-paying by 300 insurers, and it provided information not readily available to consumers before. The researchers looked at the *paid loss ratios* (premiums paid in vs. amount paid out to policyholders with claims), and concluded that dividend-paying mutual companies paid out on average 72.6% of their premium revenue, non-dividend paying mutual companies paid 64.5%, and publicly traded companies paid 62.8%. Whether you'll get the best value from your policy – the most bucks paid to you should your car have a bang - should be considered as well as the cost of the premiums. The same reasoning can be applied to the selection of other types of insurance, such as home and umbrella liability policies.


Check out this Wikipedia link for a [list of mutual insurance companies in the US](#).

## Wants and needs

At this time of year, it's not unusual to be swept up in the tsunami of shopping, only to regret it later when the credit card bills arrive and the budget ship has been blown off course. The common wisdom is that people should distinguish between a *want* and a *need*, and just avoid buying the wants. Sarah Newcomb, author of *Loaded: Money, Psychology, and How to Get Ahead Without Leaving Your Values Behind*, suggests that it's more valuable to learn what are *needs* and what are *strategies*. All wants feed needs. For example, you may have a strong *need* for a loving relationship with your grandchildren, and your *strategy* for this is to buy them very expensive gifts on holidays. Is there another, less costly, strategy for meeting this very important need?

If you simply slash an expenditure without first examining what need it meets, and finding an alternative financial or non-financial strategy to meet it, the unsatisfied need continues to gnaw away. It's a reason so many budget resolutions fail.

Wishing you the best of holidays,



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