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## Working retirement may be part of the plan

Whether by choice or necessity, more Americans be on the clock well into prime retirement time, and redefining the work force in the process. But the choice might not be theirs alone. Employers might demand it, if a shortage of younger workers emerges, as many labor analysts predict.

### Philip Frandina, 78

Civil engineer,  
Frandina Engineering, Buffalo

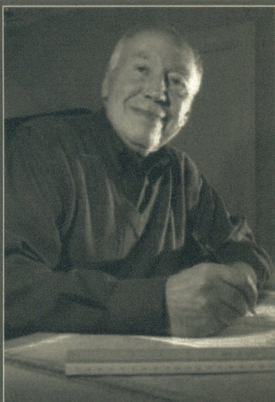
Frandina believes you have to have something to retire to, and as much as he enjoys it, gardening and tending his koi pond wouldn't do it.

When he left Erie County after 30 years of service in 1987, some of it as Commissioner of Public Works, Frandina opened an office in Allentown and went into business for himself. These days, Frandina puts in about 30 hours a week.

Son Joseph worked with him for a while, daughter Rosanne works there now. The elder Frandina is less interested in being a small-business operator than working with clients, who typically have small projects of about \$100,000. He also arbitrates construction disputes, appears as an expert witness and investigates construction problems for insurers.

He also draws on a county pension and Social Security benefits.

"I have very little stress," Frandina



says. "If my health deteriorates to a point where I can't move around, I may retire. Never say never."



Civil engineer Philip Frandina, 78, works about 30 hours a week at the firm he founded after retiring from Erie County in the 1980s. Experts say society's shift from heavy labor is creating an environment that's more accommodating to the older worker.

## AGING WORKFORCE: On the job

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Better, of course, is assuming he'll be in good enough health to continue practicing, and he has a lot of company. Respondents to a 2003 poll by the American Association of Retired Persons indicated that maintaining mental and physical health and remaining productive or useful are top reasons for staying employed.

Larry Southwick, a semi-retired University at Buffalo economics professor, says current generations are staying on the job longer as a whole because of the country's shift from heavy labor. Because they are working less with their hands and more with their minds, they can put off retirement as long as they stay mentally sharp.

Civil engineer Philip Frandina is among them. At age 78, Frandina puts in six hours most days at the Buffalo firm he founded after leaving 30 years of service with Erie County.

*'I plan to retire in 15 to 20 years, depending on how my health holds up. I do enjoy my work. I don't see that as a problem.'*

Linda Mosher  
First Niagara Bank

"If my health deteriorates to a point where I can't move around, I may retire. Never say never," Frandina says.

Improved health care and expanded life expectancy also fuel the ability - and the necessity - to work well beyond age 65, Southwick said.

"Life expectancy is higher than people would have had 20, 30 or 40 years ago, so they need more money to retire," he said.

But then, the choice may not be theirs to make. Employers might demand it if a shortage of younger workers emerges, as many labor analysts predict. Some expect a workforce deficit of as many as 10 million workers by the end of the decade.

### Need the money

While there are seniors whose enthusiasm will keep them on the job, there are those who will continue working for a practical reason: They need the money. Some

aspect of the traditional retirement trioka of pension, personal savings and Social Security has failed them.

Pension coverage reached its peak in the 1970s, covering about 62 percent of active workers, according to the Employee Benefit Research Institute. But by the late 1990s, pension coverage slid to just 13 percent of workers. It has held steady since, with many companies backing out of paying the expensive plum.

Registered nurse Sharon Schultz, 62, is among the few who will be supported by a pension when she leaves Buffalo General Hospital in about three years. Deeming her pension "halfway decent," Schultz says it will be the only source of money for her retirement.

"I didn't save because I knew that the pension was coming," she says.

At least Schultz has a truly safe safety net. The majority of Americans - two-thirds of all workers and more than half of those 55 and older - have saved less than \$50,000 for retirement. That's despite the apparent popularity of defined-contribution plans such as 401(k)s, many of which come with a percentage match by employers. The growth in 401(k) plans has nearly mirrored the decline of pensions during the past 30 years. In 1979, 16 percent of active workers had a defined-contribution plan and no pension, but by 2004 the number had grown to 62 percent.

Yet most aren't counting on Social Security benefits to fund much of their retirement, and perhaps rightly so. The government estimates that during the next 75 years, the trust-fund shortfall will grow to \$4 trillion. University at Buffalo employee Monica Moshenko, 53, recognizes that Social Security will only work in retirement if it's part of a financial package. Her monthly check of about \$900 won't even cover her mortgage.

Linda Mosher, too, isn't putting much stock in the government program.

"Social Security? I'm not counting on it. If I get it, that will be great, but I'm not counting on it at all," says Mosher, a banker with First Niagara Bank.

At 52, Mosher thinks of herself "in a rebuilding stage" after depleting her savings during the course of her marriage, divorce and putting a child through college. Her retirement plan is to work into her early 70s while maximizing contributions to her employer's defined-contribution program.

"I plan to retire in 15 to 20 years, depending on how my health holds up," Mosher says. "I do enjoy my work. I don't see that as a problem."