



Retirement Can Come Earlier Than Expected

Baby boomers face numerous issues about retirement — sufficient savings, where they will live, health and wellness costs, travel and helping children financially are just a few. A new survey of retired boomers has yielded some important findings:

- 54% retired earlier than planned due to health or job loss.
- Only 20% reported a decline in standard of living; 18% said theirs actually improved.
- 90% own their home; only 8% report being “under water” or owing more on their home than its current value.
- 82% plan to stay in their own home.

- 13% are caring for a parent or relative for an average of nearly 12 hours per week.



- More than 40% are optimistic about the future; only 23% are pessimistic.

- 82% consider their health very good to excellent.

These boomers have a fairly positive report because they saved for retirement. They targeted mortgage control, wellness and a comfortable financial cushion and are finding

that was a smart move. If you aren't there yet, talk to one of our representatives about starting. It's never too late!

Life Insurance for Single People

Many single people think they don't need life insurance. Advertisements and educational articles on personal finance often discuss life insurance as it pertains to spouses and children. If you have neither, why should you buy life insurance? Here are just a few reasons:

- To provide for final expenses without burdening parents, family or friends; a funeral can cost thousands of dollars
- To fund a bequest to your favorite charity

- To create growing cash values for future loans or simply as an “automatic” savings plan

- To purchase life insurance now while you are in good health; you may not be as qualified in the future when your circumstances regarding marriage and/or children may change.

Whatever your current marital and family status or plans, life insurance is a valuable asset and a key part of your overall personal financial plan.

Helping Grandchildren Go to College



College tuition can leave graduates buried under a mountain of debt, so many grandparents are looking for ways to help. For those who are considering helping young grandchildren finance their future educational journey, there are plans that offer tax advantages as well as savings growth. Three plans that have proven valuable to others are custodial accounts, 529 college savings plans, and Coverdell Education Savings Accounts.

Some of these plans allow the contributor and the user to avoid income tax as long as the money is spent on education according to the agreement. These accounts are also a good way to pass on an inheritance before death and outside of probate expenses and regulations.

Schedule a time with our financial staff to talk about availability, eligibility, financial requirements, contribution limits, tax provisions and other key information to consider as part of your wealth perpetuation strategy.

Retirement Savings Options

Financial experts generally recommend consumers plan for Social Security benefits to constitute only a foundation for your retirement planning, not the entire funding mechanism. Depending upon your financial circumstances, employment situation and retirement income needs, there are a multitude of other options for putting away needed funds for your retirement days. These include:

- IRAs, both traditional and Roth
- 401(k)s offered by your employer
- Traditional pension plans from your employer (also known as “defined benefit” plans)
- Deferred compensation

- Annuities
- Life insurance
- Non-qualified investment accounts
- Traditional savings plans.

Whatever methods you choose to save for retirement, all experts agree the key is to start now. If you factor in lost compounded interest, you can see the dramatic effect of delaying the start of a savings plan. For example, to match the expected results of a 25-year-old worker saving 10% of his income, a 40-year-old would need to save 30% and a 55-year-old would need to set aside 50%!

We have multiple options for retirement savings, so let’s personalize a plan that suits your budget and your goals.

Term Life Costs Less, Ends Sooner

The key decision when choosing between term life insurance and permanent life insurance shouldn’t be cost. It should be: Does my need for life insurance end at some point?

Most people have both permanent and temporary needs for life insurance protection. College costs, support for dependents until they grow up, and mortgage payments are all temporary needs. Estate taxes and funeral expenses fall under the permanent category. That’s why a balanced combination of both term and permanent, or “whole,” life insurance is best. The best solutions for your individual needs could require separate policies or a “hybrid” that combines elements of both term and permanent in a single policy.

Term life insurance is at some of its lowest rates in history and can even be acquired for people in their later years or with known health problems. If you



haven’t had an analysis of your short- and long-term life insurance needs, schedule a visit with one of our staff to look over some numbers and see where you stand. You may be pleasantly surprised by your options!

Time to Take Social Security

What used to seem like a simple plan — retire and start drawing Social Security — can become a complicated mathematical exercise.

What if your retirement life is longer than you expect? What other assets will you have to draw upon? Can you afford to wait to start your Social Security, or should you apply at the earliest possible date?

The basics are simple: all of your estimated benefits are based upon your “full retirement age” as determined by your birth year. If you start taking benefits earlier (minimum age is 62), they will be lower. If you delay benefits until later (but in no case past age 70), your monthly benefit will be larger.

But questions on the actual payout remain, and there is a further potential complication and consideration: all future cost of living increases or other adjustments will be based upon the benefit amount in place when you begin drawing those benefits.

To get a sense of how much your



personal benefits may vary, Social Security has provided a way to do the math for your specific situation. To calculate your benefit amount as well as determine the impact of early acceptance of benefits, visit www.ssa.gov.

But don't feel you have to walk

this path alone. Your Social Security benefits should dovetail with your other financial investments so you have an adequate and sustained income after retirement. Planning with an approximate date in mind is crucial. If you haven't designed a program yet, let's get started!

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Thank you for
your referral.

If you're pleased with
us, spread the word! We'll
be happy to give the same
great service to all of
your friends and business
associates

Credit Scores Affect Your Premium

In the last few years, have you had any serious lifestyle changes?

- Seen your kids grow up and out of school?
- Lost your spouse?
- Divorced or remarried?
- Welcomed new kids or grandchildren to the family?
- Grown your assets to an amount requiring estate tax planning?

These represent a few of the life changes that can require alterations to your beneficiary designations on your life insurance and retirement plans. Improper designations have resulted in valuable life insurance proceeds going to an estranged ex-spouse, unintended disinheritance of newly born or adopted children, derailed retirement plans and unnecessary and costly estate tax obligations.

Be certain your valuable life and retirement plan assets will benefit exactly the people you want them to. Review and update your beneficiary provisions with one of our professionals today.