How You Can Have a Stress-Free Retirement

Your Guide to Working with a Retirement Planner

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LEGACY

Retirement Group, LLC

How You Can Have a Stress-Free Retirement

Printed in USA

Dedication

I would like to dedicate this book to my wife and partner, Renee, who has for the past 33 years, endured my crazy hours and wild ideas and still managed to bring up our two children, Megan and Brooke, with all the great love, care and nurturance it takes to be a mother!

Acknowledgments

I am deeply grateful to so many who have helped make this book possible. Special thanks to my sister, Lori Powlishen, for her help in editing this book.

Thanks also to:
Jody Goss
Thomas Perrone
Armen Abrahamian
AAA Motor Club
My BPBP Group of Associates
Our Many Clients

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Foreword

Let me first state my intentions for this book. I do this, first and foremost, to keep myself on track. This book is not intended to be a complete guide to a stress-free retirement, but an introduction to me and to the services I provide. You won't find this book listed on Amazon or in your local book store. If you're looking for a book on retirement planning, there are hundreds, if not thousands of those available everywhere. However, most of those are rarely read – moreover, you can't meet with the author to discuss your personal retirement needs, wishes and goals. My last book on retirement planning was over 200 pages long. I distributed nearly 10,000 copies and I'm not sure if even my mother read the whole book! So, my primary objective in this book is to explain the basics well enough so that we (you and I) can write the last and most important chapter together.

Many of you, who have received this book, have attended one of my Social Security Retirement Workshops or perhaps have downloaded it from my website free of charge at **www.legacyct.com.**

There is also a short version of my popular Social Security Retirement Workshop that can be downloaded free of charge. Bottom line: if you are looking for a retirement planner to help you put together a complete, stress-free retirement plan, you should be interested in meeting with me.

Wishing you a happy, healthy and stress-free retirement.

Dave Cowan

Chapter 1

This Isn’t Your Parents’ Retirement; Boy Have Things Changed

Once upon a time, there was a couple who worked hard for many years. Bob was a machinist for a large manufacturing company and Sue stayed home raising their three kids. Early on, in their marriage, they had only one car; so, on a few days each week, Sue would drop Bob off at work so she could run errands. They lived in a three-bedroom home with one bathroom and one phone on the kitchen wall. In the living room sat Bob's pride and joy, an RCA Victor black-and-white television capable of getting six channels. Dinner was served promptly at 5:30 p.m. and the kids were not only responsible for cleaning their plates, but also for cleaning up the table. Bedtime was at 9:00 p.m. and if there was still any noise at 9:15, Dad would say sternly: “Don’t make me come in there!” And silence reigned. Saturdays were chore days, followed by a bath, and Sundays they attended church.

Bob retired, after 40 years, at the age of 65 with a plaque, a pension and Social Security benefits. Sue was a stay-at-home mother working in the house, raising the kids, cleaning, mending and cooking – but after the kids finished school, she worked at a local grocery store as a cashier and then decided to retire along with Bob to spend time with their grandchildren.

They had paid off their home, by the time Bob retired, and both felt relieved to have the $80.00 per month mortgage payment off their backs. They had no other debt or loans and were living comfortably on Bob’s pension and Social Security and using Sue’s Social Security to do some traveling and spend some time spoiling the grandchildren. Bob passed away at age 69 after a short illness and Sue lived a few more years to age 73. At her death, she left her children the family home and about $50,000 in savings, thanks to something called a mutual fund, that had had an over 30% return over the past few years. Both Bob and Sue had small life insurance policies to cover their funerals.

They had lived the American dream.

Now let's fast-forward to the next generation - their children's retirement.

Bob Jr. worked for several companies, but never long enough to qualify for a pension. He has seen his 401(k) become a 201(k), then back to 401(k) and is concerned that his contributions and growth won’t be enough to make his retirement comfortable. He has two kids who graduated from college and are working mediocre jobs, even with college degrees. One is married and the other one just moved back home. Bob’s wife Andrea also works as a nurse at a local hospital and receives good pay and benefits. She participates in a 403(b), which has also seen its ups and downs. She will not qualify for a pension because her company's plan was discontinued before she could qualify for it.

They live in a big house, still have a sizable mortgage (that they just refinanced) and have a home equity loan due to college education costs, credit cards and some really nice vacations. They both drive new cars that cost more than Bob's parents' home. They are now in their early 60's and have no written plan in place and don't even want to think about retirement because they feel so unprepared.

His brother and sister share a similar story. So do a lot of people I meet.

Their parents lived the American Dream and they are living the American Challenge. The Challenge is a long life and great health but not enough wealth to enjoy a long retirement.

Let's face it; most of today's retirees aren't prepared for the changes they will face. Are you ready for a dose of reality? This isn't your parents' retirement you're facing. Things have changed.

50% of all 65-year-old males will live past age 82.

50% of all 65-year-old females will live past age 85.

50% of all 65-year-old couples will have one member live past age 92.

You'll need 80% to 85% of your pre-retirement income to retire comfortably.

Social Security was designed to replace only 40% of the average worker's paycheck.

Social Security's average monthly check is $1,404 and $2,340 for couples (2017).

You'll face paying thousands of dollars a year for healthcare costs.

Your home taxes will triple over the next 25 years.

You may be responsible for covering a long-term illness, now costing over $140,000 per year.

If you're married and your spouse dies, you'll lose 1/3 to 1/2 of your Social Security income.

You may need to pay someone to do the things that you used to do yourself - things like mowing the lawn, cleaning the house, shopping, etc.

You may be supporting adult children. Many retirees have children with children that move back home.

You may need to become your parent's care-giver.

So, where's the gold in the golden years? Now your investments just tanked 25% and the fees on your bank account are more than the interest. To top it off, your 90-year-old mother-in-law is moving in. I hear these things from clients every day. So, what's the answer? Moving to India or China? Or perhaps a tropical island? Or, God forbid, moving in with your children? Now that I've just totally shaken your retirement worldview, hold on, there is hope.

Chapter 2

Guidance, Advice and Help Are Available to Those Who Request it

Let start with a clear understanding of what I'm all about.

I help people to get tens of thousands of dollars more out of Social Security without working one more day. Then I show them how to coordinate it with their assets to have an inflation adjusted, tax effected, stress-free retirement. If you're not interested in that, then please recycle this book.

Over the last 33 years, I've helped thousands navigate the rough and changing waters of retirement. I have the privilege of being an endorsed retirement advisor to a local motor club with over 500,000 members. I also participate in CPA training webinars, offering training to CPA's throughout the country on Social Security and Medicare options, and I'm often referred to their clients for retirement planning. My expertise also has opened the doors to corporate speaking events. I've been invited to speak to employees at the Subway International Headquarters several times and also invited three times to Edward Jones in St Louis to conduct training videos made available financial practitioners. The experience has taught me that we all have the same major retirement concern, which is out-living our money. Over the years, I've seen things change drastically as we now live in a world virtually without pensions and have longer life spans to deal with. Retirement planning for most is not as complicated as we might think – but it does require time, thought and expertise to put things into their proper place. I work with my clients to break down their retirement into 5-year periods, making what seems to be overwhelming into a practical plan. We are all seeking the same thing . . . retirement with basic peace of mind and the ability to enjoy it.

I have found that I can give someone all the tools they need to figure out retirement for themselves. I have charts, calculators, books, articles, white papers, etc. available but, these alone, seem to cause further frustration for most. People tend to procrastinate in the hope it will somehow get easier or simply work itself out. This is perfectly understandable in a world where we are so busy making ends meet and dealing with life in general. Finding the time, the patience or expert help to do retirement planning, becomes another challenge.

I can personally relate to this when my car needs repair. I take it to my mechanic, even though I have a garage full of tools - which look just like the ones the mechanic has. I could get onto YouTube to see how to fix the problem. So why do I take it to the mechanic? Because I just can't deal with something else that is not my particular specialty. So, at $100.00 per hour, my mechanic fixes it. Sometimes, when the problem (electrical, for example) is beyond his comfort zone, even he refers me to an expert.

So, when you need retirement advice, you need a retirement advisor; hopefully someone with wide-ranging experience in helping thousands retire successfully, as opposed to your fund advisor who manages your money for a fee or commission and thinks that will be sufficient to take care of you in retirement. I'm not saying they can't help. But, unless they are willing to sit down with you several times and listen to your plans - and then take the time to review all your options - and then deal with the long list of challenges people face in retirement, you are not getting either the expertise or the retirement advice you need. A good financial adviser will also surround themselves with other advisors who are experts in their fields and make referrals. I am part of a group of independent advisers called Business and Personal Benefit Planning Group. For more information about us and our services you can go to our website: www.bbpgrp.com. A good retirement planner needs to be available to meet with you annually to review your plan and make adjustments to it, as life doesn't always follow the plan.

A retirement plan can be as simple as a mathematical equation showing the retiree's income, including a reasonable return on investments vs. expenses, and expected inflation. In this way, you can clearly see how long your money will last, as well as what would happen when a spouse dies and an income is eliminated or reduced. I use a simple retirement income planning software to demonstrate this. This makes it easy to see where you are and to make annual adjustments as things change. It also allows us to stress test the plan by seeing how changing market conditions might affect even the "best-laid" plans. It's unfortunate, but taxes don't retire with you so we look to build tax efficient withdraws into your plan. The first thing we need to do is establish an emergency account at your local bank.

Think of it like this: I'm not feeling well so I go to my doctor who asks a lot of questions and runs all types of tests and gets a lab report back, showing my numbers and where they are off, so corrections in diet or medications or lifestyle can be made. Can you imagine the doctor just looking over your file without asking questions or doing tests and then telling you you're okay with nothing to worry about?

Planning is simpler than one might think because there are important and reliable guidelines and rules, as well as basic common sense, which help with everyone's retirement planning. Basically, it comes down to a mathematical equation, as I mentioned, and you already have most of the information ready to plug in and see for yourself. If the results aren't what you need or want, then we can look at all the variables within your control and adjust whatever is necessary.

What types of adjustments are we talking about? Keep in mind that, at age 65, your life expectancy is about 20 years. So, one year of your life represents 5% of your remaining life time. If you have plenty of money to retire, I'm the first one to recommend you consider retirement sooner rather than later. But, if you love your job, or don't have enough money to retire, then there are some things you can do as long as your health, and perhaps your employer, would allow you to. Work a couple more years, for example, so that approximately 10% of your remaining life expectancy is covered by working and not by retirement saving. At age 66, you could take your Social Security benefit and use it to either save more or pay off debt. If you don't take your Social Security at age 66 and wait to age 67, then it will be 8% larger for life. In chapter 5, I will cover Social Security in depth.

If you're lucky enough to get a pension, by waiting a year or two, it could become considerably larger. If you must retire early, it might make sense to use some of your retirement savings for the first year or two and delay taking your Social Security. Most financial advisors have no interest in thinking that, let alone recommending it. It's hard to imagine an investment advisor saying "*Hey, why don't you take some money out of your 401(k)? The market is up and you can sell high. Meanwhile, you can delay your Social Security benefit and get about 16% more with a cost of living benefit on it, backed by the US tax payers! So what if I have less of your money to manage – and you're likely to save on taxes in the long run*." If you're married and consider the difference in age and life expectancy between you and your wife, proper retirement planning (as opposed to simple investment advice) will give her more income after you're gone and allow her less financial stress for the rest of her life. As you can see, you shouldn't retire on anyone's hope, wing or prayer, even your own, but let logic and knowledge and independent retirement advice be your guide.

Chapter 3

The Legacy Retirement Process

Approximately 80% of those who attend my workshops request a follow-up appointment. The question is why? What makes what I do so attractive to clients? Let's take a look.

Why do I do what I do?

I believe that everyone should have a stress-free retirement, with an easy-to-understand plan, that's flexible as the demands of life and retirement change. They should not have to pay an arm and leg to get a 200-page, leather bound book that will just sit unopened, on a shelf, full of useless information, costing them $750.00 or more.

How do I do it?

I examine all your options in electing Social Security, including your pension, if one is available, to help you choose the options that best meet your overall retirement plan - your personal circumstances and needs.

Once you have established an emergency fund, I breakdown your retirement plan into shorter periods of time. I refer to these as five-year buckets and build in flexibility to deal with the unexpected. My plan has just 6 to 7 pages, with 3 parts - **Income Scores** (Social Security, Pension, Annuities, Other), **Retirement Saving** (IRA's 401k, 403b, stocks and bonds, etc.) and **Planned Monthly Income.**

What do I do?

I review <u>all</u> of your Social Security options. You have far more than you think and I'll help find the option that is right for you!

I look over <u>all</u> your pension options. This is critical if you are married.

I examine your retirement savings and other accounts to evaluate your risks.

I review any life insurance you may have.

I can refer you to a Planning Partner who can show you options to protect assets from the impact of long-term illness. (chapter 8 will deal with this important concern most retirees have)

I show people how to split up their retirement savings into five-year periods (buckets) that will provide the stable income they need and yet be adjustable for inflation or other economic changes. I also look at what assets should be spent first so the income plan is tax efficient.

I make sure you have overall flexibility to make adjustments as your life or circumstances change.

I work with you to monitor and fine tune your plan over the entire span of your retirement.

This process takes time to complete and is not done in one or two meetings or with a couple of emails. Generally, we'll meet 3 to 4 times before having a complete and implementable plan. Follow-up meetings will be scheduled as needed over time, and as things change.

What distinguishes me and my expertise from others is my approach, my intentions and my perspective on the overall retirement picture.

Most financial advisers look to control or manage all of your retirement dollars and focus on returns to keep clients happy. Most of their focus is on the accumulation of wealth. In my practice, I look to enhance the overall value of your entire retirement plan. For example, when retired, we should look at the distribution of wealth as opposed to only the accumulation of wealth. Taking distributions from wealth accumulation accounts can work against you by reversing dollar cost averaging. Not to mention paying more in taxes.

As a retirement planner, I know how things should be put together for a lasting retirement that is both tax efficient and inflation adjusted. I don't need to control every investment; I just need to be aware of them all. Though most of my clients prefer me to handle all of their assets, I can work with other advisors who are team players and with any other accounts you may have set up, assuming I'm aware of them. A word of caution; when you work with two or more advisors, I've seen how they try to outdo one another in order to capture more business. This can upset the plan's balance, exposing their clients to unnecessary risks, especially risks that lay outside their specialty. This inevitably leads to unneeded frustration, anger, worry, fear and sleepless nights, all due to this type of piecemeal planning and uncoordinated execution.

Chapter 4

Where does it all begin?

Let's look at a rule of thumb and answer this question. How do you know how much income you'll need in retirement? This is called your budget. We all have one, even though we may not know what it is or how to figure it out. Many people try to budget by looking over credit card statements and banking accounts. Adding things up can be a frustrating task and something is always missed or forgotten. Here's what I've found that's simple, works well, and is basically accurate. Let's say your gross weekly income is $1,000.00 and once Uncle Sam and Uncle Malloy take their part and health care deductions and contributions to your 401(k) or 403(b) are deducted, you have $600.00 left. And you spend it all. So that's your budget.

Outside of work, I find few people saving money for retirement, but if you are one of the few, then just deduct the amount you are saving from your take home pay. Now we have a starting point of how much you are living on. When you retire, it is suggested that you can live on 80% to 85% of your current working budget. 80% to 85% may not sound like a great retirement income if you're already not doing all the things you enjoy now, while spending 100% of your pay. It beats living on government assistance in a HUD apartment, however. The reduction in your budget is based on the savings you'll experience by no longer incurring the costs of going to work, including wear and tear on your car, work clothing, etc.

So now that you have an Idea of how much monthly income you'll need, where is it going to come from? It could take a great deal of retirement saving to last a lifetime. So don't quit your job yet or make a major mistake in electing your Social Security too early.

Let's look at 3 methods of taking retirement income according to the Financial Planning Association.

Systematic Withdraw

Each year, you and your financial advisor(s) meet to discuss where you will be taking your income from for that year. Once you're aged 70 ½, you also need to look at the Required Minimum Deductions (RMD) you must take for your retirement accounts or face a 50% IRS penalty. Having more than one advisor could make this task a little tricky as each adviser would want you to take your income or RMD from the other.

Sometimes, the needed income will be transferred to a money market account for easy monthly access. Other times you'll get a monthly check. Don't forget about taxes. If this income is from retirement accounts, you need to have taxes withheld or pay quarterly estimated taxes.

As a guideline, most financial advisers will refer to the **4%** rule (Monte Carlo Rule). This rule says that to create a 90% chance your money will last 30 years, don't take out more than 4% per year, adjusted for inflation. This rule is outdated since it is based on past market performance of a 60/40 stock/bond mix where stocks paid 8% and bonds paid 5%.

Your accounts should have a mix of risk according to your age (rule 100). Rule 100 tells us that our age should equal the percentage of retirement assets <u>not</u> at market risk. So, the older you become, the more conservative you should be.

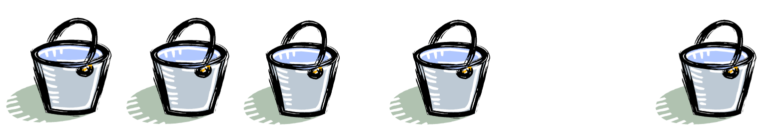
If there are big gains, then extra money can be used for discretionary purposes, like vacations.

If there is a loss, then your income may have to be adjusted accordingly.

This method has been based on a stock portfolio returning 8% and a bond portfolio doing 5%, and has been seen by some, including me, as no longer relevant. 3% would be more in line with recent returns. Also, with the recent increase in interest rates, you may experience some losses in your bond portfolio. This is the most popular planning method used by financial planners and, in my experience, the hardest to understand and the most disappointing. Remember the last time the market crashed? <u>Now imagine it happening when you're retired</u>.

Bucket Method (I recommend this for most of my clients)

This method breaks down your retirement savings into buckets of income for periods of time (generally 5 years) or projects like a new car or grandchildren's education. It all starts by making sure you have some emergency money set aside generally in your local bank.



1-5 yrs.   6-10 yrs.   11-15 yrs.   16 yrs. and over   emergency money

The closer you are to needing the income from your asset or assets, the more conservative it should be. The last bucket, the one not needed for many years, can be far more aggressive. As earlier buckets are emptied, they are refilled with the last bucket, so income is not affected by market ups and downs. Buckets are generally set up to account for inflation as well as tax efficiency. According to the Financial Planning Association (FPA), this method is the easiest for most to understand.

Personally, my favorite is the "Bucket Method", as it averages out your returns that could cause an unplanned change in income due to market conditions. With the bucket method, income is planned so that market conditions will not have an effect on your short-term income; this gives you time to make needed adjustments, without either worry or fear. I offer a complete bucket method portfolio print-out (6-7 pages) showing you how much of your retirement saving would be required to provide your needed income for that period of time. The plan shows, in simple terms, how this type of planning works and what would work best for you.

On my website: **www.legacyct.com** you'll find a short video on how it works.

Flooring Method

Let's say then you need $4,000 per month to cover your essential expenses.

You can purchase an immediate annuity to provide for the extra $1,000 per month. Money can be taken out of your other accounts for discretionary needs.

Social Security	$2,000
Pension	$1,000
Annuity	<u>$1,000</u>
Total	$4,000

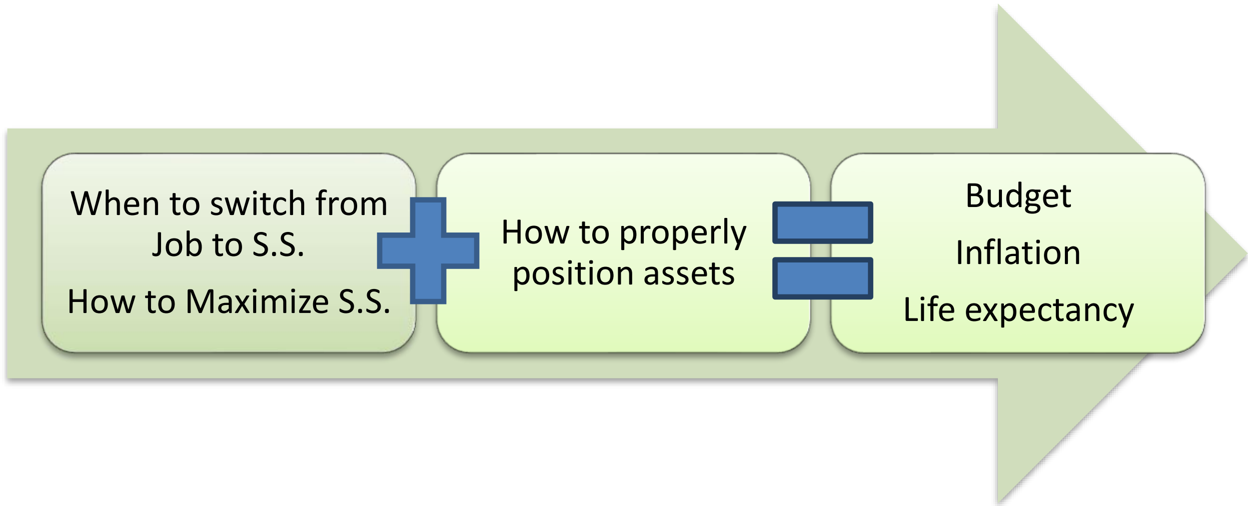
Annuities with guaranteed income riders can also be used for flooring.

You receive Mortality Credits as you age!

The flooring method has been used for years to create a personal pension; my only precaution is they generally do not cover inflation. To cover inflation, we can periodically turn more assets into income. This plan works well for those who just want to keep their life and finances simple.

Regardless of the method, you only have so much savings, which can only produce so much income. So, you need to plan to live within the income your savings can provide and look to increase your Social Security and/or pension by maximizing it to meet your current needs and future plans. I'll cover maximizing Social Security in the next chapter.

Using the 4% guideline, if you have $500,000.00 in savings, then 4% of $500,000 equals $20,000.00 per year or $1,666.00 per month. Taking more than that could lead to serious financial difficulty if you live longer than average. If we use a more practical return of 3% you would receive $1,250 per month.



- Proper retirement planning starts with your retirement income goal (budget), and plans your income (Social Security and Pension if available) and the proper placement of your assets to meet your budget. It's not rocket science it's math.

Chapter 5

Social Security, the First Wonder of the Retirement Planning World

I could go on and on about this, but this book is intended as a supplement to working with someone and planning their retirement, not as a do-it-yourself book.

For most of us, Social Security will become the only form of consistent retirement income we have and even a single decision can impact your retirement by tens of thousands of dollars.

When making the decision on when to elect Social Security, you need to keep in mind that this single decision is one you'll have to live with for the rest of your life. Every day, 10,000 of us are electing Social Security with little or no professional guidance from Social Security personnel, or anyone else for that matter. I have had a lot of people who have said to me that they wished they had met with someone like me before they made their election. Social Security on the surface may seem simple and straight forward, but did you know there are over 2,700 separate Social Security rules and thousands of explanations? So before making your election, doesn't it make sense to find out what your options really are and how your choice impacts your overall retirement plan? Keep in mind that Social Security was designed to replace only 40% of the average worker's pay check. Social security offers us dozens of options, but only one is right for you.

Here are some things you should know about Social Security:

How is your Social Security Benefit Calculated?

2018: You will pay Social Security Taxes on the first $128,400 of your income.

-Highest 35-year average which may include some zeros

-Converted into today's dollars (inflation adjustment)

-Divided by 420 to get monthly amount (35 yrs. x 12 mos. = 420)

This will give you your **Primary Insurance Amount** then they use a formula to determine your monthly benefit. (Based on 2018)

The first $895.00 will receive a 90% credit

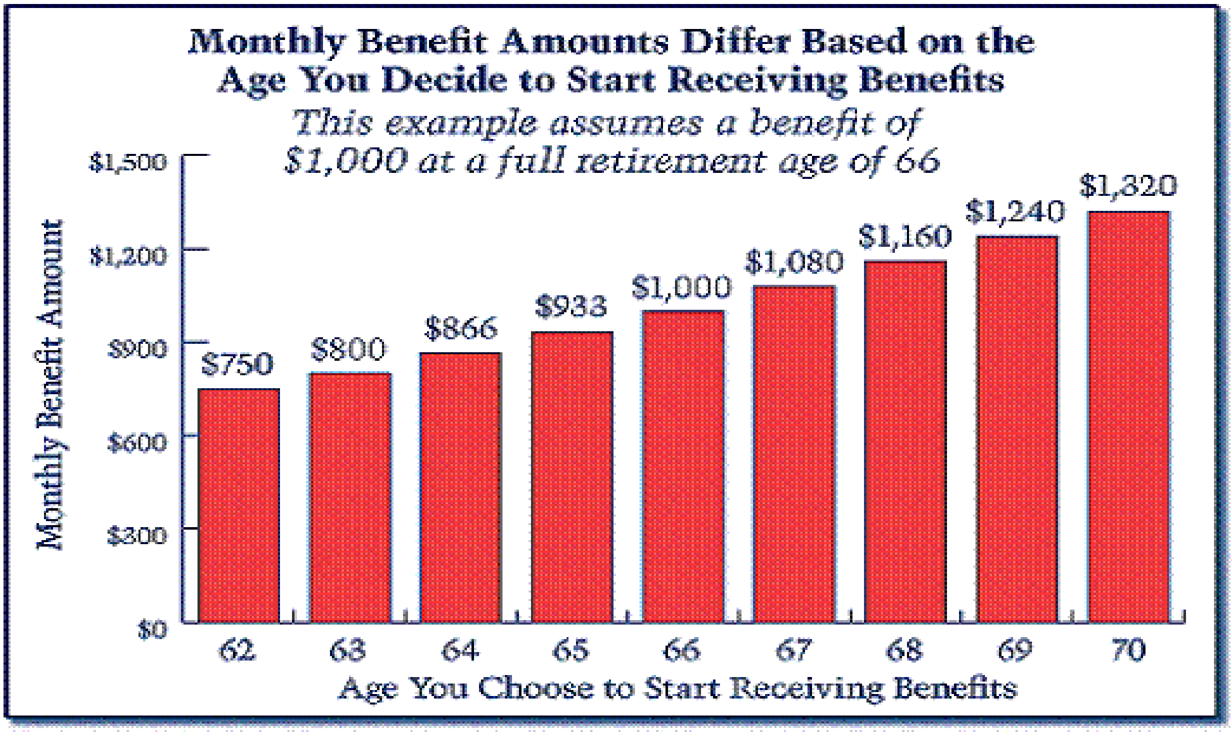
Between $896.00 and $5,397 will receive a 32% credit

Over $5,397 will receive a 15% credit

Example: Primary Insurance Amount adds up to $6,000 (this person is currently making about $72,000 per year. (Based on 2017)

$895.00 x 90% =	$805.00
$4,502.00 x 32% =	$1,441.00
<u>$603.00 x 15% =</u>	<u>$90.00</u>
$6,000.00 PIA =	**$2,336.00** monthly benefit at full retirement age

Bottom line: the more you make, the lower your percentage payout is.



If you have 10 years of sufficient earnings, you can qualify for Social Security as early as age 62. You will <u>not</u> qualify for your <u>full</u> benefits until you reach full retirement age (FRA). If you are currently 62 or older, FRA would be age 66 and 2 months. The chart above was taken from the Social Security's website www.ssa.gov. As you will see in this example, at age 66 FRA, this person would receive $1,000 per month. If they were to take the benefit at age 62, it would be reduced to $750 per month. If they waited to age 70, it would be $1,320 per month. Every year a person is willing to wait, from age 62 to FRA, Social Security will increase the amount by 6% and, from FRA to age 70, will increase it by 8%. You're in control and will only have one chance to fix a mistake within the first year of your benefits. Making this election will have a lifetime effect on your finances, so don't be short sighted on this. I meet with people all the time that would have made a different choice if they had known their options.

Thousands of Americans make mistakes every year, leaving tens, even hundreds of thousands of dollars on the table. They don't realize that how much you receive from Social Security depends on four primary factors:

1. Your earnings record
2. When you elect
3. How long you expect to live
4. Your ability to collect on someone else's Social Security

While you can't go back and change your earnings record, and have limited control over how long you live, you are in full control of when you elect your benefits. While timing isn't necessarily everything when it comes to maximizing Social Security benefits, it's certainly critical to the long-term health of your finances, and therefore, your overall well-being.

Unusual Strategies for Social Security Maximization

A recent study suggests that these strategies represent over $10 Billion in unclaimed Social Security benefits[1]*. For an individual family, it is not uncommon to receive additional tens of thousands or more in benefits.*

If you file for Social Security prior to full retirement age, you are deemed to have filed for all benefits for which you are eligible. At full retirement age and beyond, you have several options to elect a limited benefit for a period of time, and then switch to a larger benefit at some point in the future. We refer to these planning options as a "Switch Strategy".

There is one basic technique that enables a Switch Strategy: the "restricted application"
When you go to the Social Security office, the individual you meet with may have been trained to help you identify the highest benefit you can get today, not necessarily over your lifetime, and likely not over the joint lives of you and your spouse. As a result, you are <u>not</u> likely to hear about this technique during a typical visit. ***Please note:*** *this "**switch strategy**" is only available to those who are age **62 or older as of January 1st 2016.***

Restricted Application for married couples, widows and for the divorced
Once you reach Full Retirement Age, you may have the option to restrict your application to exclude certain benefits and collect on others. If a benefit is excluded, it will continue to build delayed retirement credits. Delayed retirement credits are 8% per year from FRA to age 70. As an example, a higher-earning spouse, who may want to wait until age 70 to collect his own benefit, may be able to file at age 66 for only the benefit available under his spouse's work record, while still allowing his own benefit to build delayed retirement credits. At age 70, he would switch to his own benefit. Alternatively, a lower-earning spouse could restrict his or her application to only spousal benefits while continuing to claim delayed credits on his or her own earnings record.

[1] Center for Retirement Research at Boston College.

Retirement Consultation Booklet

Here are my two offers:

Offer #1) If you have **less than $100,000** in savings, I will run for you (**Free of charge) a Social Security Timing Report** and we can set up a phone appointment to review it. The report will be personally prepared for you and will offer you **four benefit options** to consider. This offer ends 30 days from the workshop date and then the cost is $100.00.
In order to receive this **Free Report,** please pick up the necessary paperwork before leaving the workshop. **We will e-mail you the Report!**
Offer #2) If you have **more than $100,000 in total savings,** please fill out this form and hand it to Renee before you leave. Fill out the questionnaire in the center of the book and bring it to our meeting. The Frist courtesy meeting can end in a **FREE Social Security Timing Report** emailed to you. If you are interested in a **Personalized Retirement Income Report,** a **Risk Assessment** of your current investment and options to protect your assets from **a long-term illness**. We will have 2 more meetings and the **fee is $250.00**. This offer **ends 30 days** from the workshop date and then the **fee is $500.00**.

I ask you to value my time, as I will value yours, to keep a set appointment.

Suggested information to bring to the consultation:
Your latest Social Security statement if you need to get it online, go to **www.ssa.gov**

David L. Cowan

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Web-site: www.legacyct.com

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Cell phone please use for last minute appointment schedule changes 203-980-8457

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Name: ________________________________ DOB ________

Spouse: _______________________________ DOB ________

Address ____

City ___________State _____Zip____________

Daytime Phone Number: _______________________ ☐ Cell ☐ Home ☐ Office ☐ Mr.☐ Ms.

Evening Phone Number: ________________________ ☐ Cell ☐ Home ☐ Mr.☐ Ms.

Your Email: ________________________________ Best time to call ______________

Spouses Email: ______________________________

<u>Please indicate to what degree each area of planning is of concern.</u>

Indicate by circling: 1 2 3 4 5 1 = not important 5 = very important

Protecting Assets from Long Term Care	1	2	3	4	5
Running out of Income or Assets	1	2	3	4	5
Medicare Planning	1	2	3	4	5
Saving on Taxes	1	2	3	4	5
Getting the Most out of Social Security	1	2	3	4	5
Loss of Income when Spouse Passes	1	2	3	4	5
Avoiding Market Risk	1	2	3	4	5
Estate Planning & Legacy	1	2	3	4	5
Appropriate Investments	1	2	3	4	5
Examine your Situation	1	2	3	4	5

Are you eligible for a pension? ☐ Yes ☐ No Spouse: ☐ Yes ☐ No

Other concerns:

____

____

____

Income:
Pension Mr. ________________Mrs._________________
Mr. SS Income___________ Mrs. SS Income _____________ at full retirement age
Statement Date _________________ Statement Date ______________

JOINT AND BANK ASSETS:
Asset type (i.e. CD, savings, checking, etc.) Account Value

	$
	$
	$
	$
	$

RETIREMENT ACCOUNTS FOR MR.:
Asset type (i.e. IRA, 401(k), 403(b), etc.) Account Value

	$
	$
	$
	$
	$

RETIREMENT ACCOUNTS FOR MRS.:
Asset type (i.e. IRA, 401(k), 403(b), etc.) Account Value

	$
	$
	$
	$
	$

INVESTED ASSETS:
Asset type (i.e. Mutual Funds, Stocks, Bonds, etc.) Account Value

	$
	$
	$

ANNUITY ASSETS:

Insurance Company	IRA check if yes	Account Value
		$
		$
		$
		$
		$

Approximate Monthly Budget: $___________________________________
LIFE INSURANCE ASSETS:
Obtain policy statements

DEBT:
How much do you owe in debt? ____________________
How important is it to you to pay this off? ______________

REAL ESTATE:
Value of Personal Residence: __________________________________
Do you plan on living in your current residence for the rest of your life? ________

LONG TERM CARE:
Have you made any plans to protect your assets from long term care expense losses?
____

ADVISORS:
Would you need to consult with someone about implementing a plan or plan changes?
Y ☐ N ☐

RETIREMENT PLAN:
Do you feel comfortable with your ability to financially retire?
Y ☐ N ☐

Investment Strategy:
Please check the boxes that reflect your present situation.
Y- Yes
N- No
U – Unsure
D – Does Not Apply

Questions	Y	N	U	D
1. My investment portfolio is properly diversified in terms of risk versus return.				
2, I have a current asset allocation formula as part of my investment strategy and do this yearly.				
3. I know exactly what rate of return I need to avoid running out of money.				
4. My investment portfolio is rebalanced yearly.				
5. Stability in value of my retirement is critical.				
6. I have accurately projected my retirement income needs and sources of income.				
7. I recognize the importance of having a qualified financial advisor.				
8. I am satisfied with the advice and services I received from my financial advisor.				

Finding Out if this Strategy is Right for You

The trick is figuring out is if this strategy right for you. To truly put this strategy into practice, we recommend running a Social Security Timing® report. This is a report that includes detailed claiming instructions and recommends claiming ages, including alternate strategies, that may fit better into your overall financial picture. We can run this report at your request.

"When Should I Elect Social Security?"

You may not realize it yet, but electing when to receive Social Security is one of the most important decisions you'll make in retirement. It will impact the amount of income you receive, the amount of taxes you pay, and how your other assets can be utilized.

You wouldn't make a decision about a $500,000 asset, lightly would you?

The average household retiring today stands to receive approximately $556,000 over the course of their retirement, according to the Urban Institute. Many people stand to gain or lose more than $100,000 in benefits, depending on how they make this one decision.

With so much at stake, when and how to elect Social Security may be the single most important decision middle aged income couples make in retirement.

As We All Know Only Too Well, more than 50% of Marriages End in Divorce.

How about divorced people? How do they make out? Here is a common situation most divorced women face.

Jane was married for almost 25 years. Her husband divorced her and remarried. I told her that because she was married for more than 10 years, she could collect against his Social Security because the amount would be higher than hers. He has been married to his second wife for more than 10 years, and he is still living. Her concern was if she collected against his (Social Security earnings record) and he dies, will she then be able to collect on what she has earned over the years? Or is she out of luck? She wanted to know what was in her best interest.

Jane should absolutely be looking at her former husband's Social Security earnings record when planning for her own retirement. In fact, it's a critical issue that should be considered before the divorce paperwork is finalized.

While you should always check with your personal attorney for specific advice on your individual case, here are some general points to keep in mind. Let me start by explaining the basic rule about Social Security benefits, as it relates to divorced couples. The basic rule is that any time a marriage lasts 10 years or more, the divorced spouse with the lower earnings record can collect retirement benefits based upon the record of the higher-earning spouse.

Key Qualifications to Collect on an Ex-Spouse's Record

This is true regardless of gender, meaning a man can collect against his former wife's earnings record if she collected a higher salary over their working lives. In most cases, however, it is the former wife collecting against the ex-husband's earnings record.

In addition to the required 10 years of marriage, there are four key qualifications to collect divorced spouse benefits:

- The person seeking to collect must not have remarried.
- **This person must be age 62 or older on January 1, 2016.**
- The benefit this person would collect, based on his or her own earnings record, must be smaller than what they would collect on their former spouse's earnings history.
- The ex-spouse must be entitled to Social Security retirement or disability benefits on his or her own.

The benefit collected by a divorced spouse does not reduce the benefits received by the other spouse. If you remarry, you generally cannot collect on your former spouse's record unless the later marriage ends by death, divorce or annulment. In Jane's case, her 25 years of marriage would more than qualify her for a divorced spouse's benefit. One thing to keep in mind is that, if your ex-husband has not yet applied for retirement benefits himself but does qualify, you must have been divorced from him for at least two years before you can begin collecting against his earnings record. In the case with Jane, that's not an issue because she was divorced for more than 10 years. Finally, Jane, asked what happens if her ex-husband dies? Was she out of luck? No, she will qualify for survivor benefits as a divorced spouse, just as if she had been married to him at the time. She retains the right to the benefits she earned based on her own work history. She doesn't give those up even if she collects against her ex-husband's record. This could be an issue if she ever remarries herself.

In fact, she also can begin by collecting Social Security through a divorced spouse's benefit first and delay receiving her own retirement benefits until a later date. This could mean a higher benefit for her down the road by qualifying for delayed retirement credits that accumulate until age 70. Any retirement or survivor benefits she collects against her ex-husband's record will have no impact on the benefits paid to his second wife. There is no need to worry about Social Security triggering any kind of dispute with your ex or his second wife. For anyone considering a divorce, the critical thing to understand is that the marriage must have lasted at least 10 years to qualify for divorced spousal benefits. In fact, if you're contemplating divorce, or are in the midst of one, I would give serious consideration to holding off finalizing the paperwork if you're anywhere close to reaching the 10-year threshold.

This is particularly true for anyone who stayed at home to care for a child and is unlikely to be able to match their spouse's salary after the divorce.

The trick is figuring out which strategy is right for her. We showed her how important her decision is and offered a variety of strategies for her consideration.

For Jane, we showed her how to collect tens of thousands of dollars off her ex-husband's record and then switching to her own benefit later on.

Widows and Widowers and Social Security

Let's talk about how widows and widowers are treated by Social Security. Generally, if you and your spouse are receiving Social Security and your spouse passes away, you, the surviving spouse would receive the value of the largest check. Example: if he was receiving $2,000 per month in benefits and she was receiving $1,200 per month in benefits and one passes away, then the survivor would receive the $2,000 per month. This is like losing 37% of your pay which could cause a financial hardship for the survivor. With more 2- income families today and both earning comparable income and benefits, losing a spouse could cost you close to 50% of your Social Security income.

If you are already a widow before electing Social Security, then there may be opportunity for you to take advantage of Legacy Retirement's Social Security timing report which also looks for the best options available.

Connecticut Teachers Consider Yourselves Warned!

Let's finish up with Connecticut public school teachers. Connecticut teachers are one group of state workers who do not pay into social security from their teacher's wages. However, they may have worked other jobs where they did pay into Social Security. Because Social Security is not aware of their teacher's salary and is socially minded, in that those who make less should be paid more, teachers are often misled to expect a Social Security benefit that is not available to them. Social Security refers to this as the **windfall elimination provision (WEP).** You can read more about its effects at: www.ssa.gov/pubs/EN-05-10045.pdf.

Teachers are also subjected to the **Government Pension Offset Provision (GPO)** which affects teachers who are married and lose a spouse who is receiving Social Security. This provision will reduce or even eliminate a teacher's ability to collect Social Security survivor's benefits. To learn more about the Government Pension Offset Provision go to: www.ssa.gov/pubs/EN-05-10007.pdf.

Once again, our Social Security timing report also looks for the best options available here too. Sometimes, I'll recommend to a married teacher to take out a life insurance policy on their spouse if it would create a financial loss to them and their Social Security benefits.

Some Final Questions. So where is your Social Security advice coming from? Down by the water cooler at work where all the smart guys hang out? From a Social Security clerk or a financial adviser who is focused only on growing your money? Or is it coming from a retirement specialist who will look at your Social Security options and help you tailor your decisions based on a complete retirement plan.

Let me share one last word regarding Social Security. Last year Social Security paid out close to 880 billion dollars in benefits and most of that money was spent by retirees to make ends meet. This money being spent is vital to the U.S. economy. There are those who call Social Security a Ponzi scheme and that it wouldn't last, but just think about what would happen if it didn't! Retired people would not be able to pay house taxes or healthcare or perhaps even food. Our entire financial system would collapse. Congress already knows how to fix it and will do so.

Social Security may offer you hundreds of election options but only one is the right one for you, don't go it alone!

Chapter 6

Medicare - Your Health Care Provider

For most of us, Medicare will become our primary source of healthcare coverage at age 65 and beyond. Medicare has been making some changes by shifting more responsibility for a person's health over to their doctors. Hospitals are making sure proper care is being given and following up in order to keep remittances down.

The following information has been collected from websites, including Medicare. Because medical coverage is an important part of retirement planning, listing some options are important. Once you know your options, I would recommend you speak to someone at your primary care physician's office to see if they accept the plan you're interested in and if there are any problems in paying your medical bills.

Different Parts of Medicare Insurance

Medicare is a national health insurance program that offers coverage for certain health care expenses. Most U.S. citizens and legal, permanent, residents are eligible for Medicare if they are age 65 or older or younger than age 65 with a qualifying disability or illness.

The Medicare insurance program is composed of a variety of government and private insurances that cover specific services. The following are the different components of the Medicare insurance program.

- **Medicare Part A,** is a government-supplied hospital insurance, covering certain inpatient services in hospitals, skilled nursing facilities, hospice, and home health care.

Cost: Free; Deductible 2018: $1,316.00

- **Medicare Part B,** is a government-supplied medical insurance, covering outpatient health care services, such as doctor visits, durable medical equipment, and certain preventative services.

Cost 2018: most will pay $134.00 per month high income earners will pay more.

Deductible 2018: $183.00 then will pay 80%.

- **Medicare Part C**, also known as Medicare Advantage (MA), delivers Part A and Part B benefits through a private health insurance plan approved by Medicare. These plans may include additional coverage, including prescription drug coverage, dental coverage, or health and wellness programs.

Cost 2018: Free to $159.00 per month

- **Medicare Part D,** also known as Prescription Drug Plans (PDPs), are stand-alone drug plans that offer coverage for medication costs. Like Medicare Advantage plans, stand-alone Medicare Part D plans are offered by private insurance companies.

Cost 2018: $26.00 to $50.00 per month

- **Medicare Supplements**, also known as Medigap plans, are private insurance plans, not subsidized by the government, which offer coverage for out-of-pocket costs not covered by Part A and Part B through ten standardized plan options in most states (except Massachusetts, Minnesota, and Wisconsin). See our Medicare Supplement benefits chart of the ten standardized insurance plans for a full review of what is covered by each plan.

Cost 2018: $58.00 to $350.00 per month

Medicare Advantage vs. Medicare Supplement

Medicare Advantage (MA)

MAs are health plans, offered by private insurance companies, that provide the standard hospitalization and medical coverage of Medicare Part A and Part B. In some cases, an MA plan may include additional benefits that are not part of the original Medicare plan, such as prescription drug coverage. Medicare Advantage plans may deliver their benefits through one or more of the following options: a Health Maintenance Organization (HMO) is a network of health care providers and facilities where you choose a primary care physician to coordinate your care; a Preferred Provider Organization (PPO) is also a network of health care providers and facilities but, typically, you do not need to select a primary care physician and you have more flexible options regarding out-of-network care; a Private Fee-for-Service (PFFS) is a mode of benefit delivery where you are not limited to a network, but there are no guarantees that your doctor or hospital will accept the plan.

Medicare Supplement Insurance (Medigap)

A *Medigap* plan is an insurance policy designed to pay for certain healthcare expenses not covered by Medicare Part A and Part B. In every state, except for Massachusetts, Minnesota, and Wisconsin, there are ten standardized Medicare Supplement plans (Plans A through N). The ten plans have different combinations of benefits and deductibles. While Medigap plans always have more benefits than Medicare Part A and Part B, they are no longer allowed to offer prescription drug coverage. Prescription drug coverage can be added through a stand-alone Medicare Part D plan.

So, What's the Difference Between the Two?

The standardized Medigap plans are uniform in the 47 states that offer them. Consequently, a given plan type (e.g. Plan F) has the same benefits regardless of the insurance company that provides the policy or the state in which you reside. On the other hand, Medicare Advantage must provide all Medicare Part A and B coverage, but depending on the insurer and the specific plan, it may cover more than Part A and Part B benefits. Excluding drug coverage, any standard Medigap plan with Original Medicare Parts A & B will have more benefits than a standard Medicare Advantage program, since a Medicare Advantage program is only required to duplicate Medicare Part A & B benefits. However, as indicated earlier, some Medicare Advantage programs offer benefits beyond those found in Part A and Part B.

Some Medicare Advantage plans offer prescription drug coverage (often for an additional monthly cost). In contrast, a Medigap plan requires a separate prescription drug plan. However, remember that the total cost of drug coverage, as well as coverage for the specific drugs you are taking, is critical when comparing your options. In some cases, you may find that a Medigap plan, with a stand-alone prescription drug plan, has lower total costs than a Medicare Advantage plan with drug coverage. In other cases, the reverse might be true.

Comparison Is Key

When choosing between a Medigap plan and a Medicare Advantage plan, take the time to do your research. Remember that while the benefits of Medigap plans are standardized in the states having plans A through N, their prices are not. Plan F from one insurance company may be significantly cheaper than Plan F from a different company in the same state. Read the benefit descriptions of every Medigap and Medicare Advantage plan you are considering. **Be certain to look at:** *Monthly premium – Deductibles - Doctor and healthcare facility restrictions – Benefits - Anticipated plan costs, given your typical use of healthcare and hospitalization services - Prescription drug coverage cost sharing as it relates to your medication usage*

Information was gathered from internet sites for informational purposes only!

One of my Planning Partners is available to answer Medicare questions and give guidance

Chapter 7

Health Insurance before Age 65? Who knows, changes are coming!

Current rules at time of print below.

Many of us would like to retire, if we could afford to, prior to age 65. The challenge in doing so has been obtaining and paying for healthcare. The new Affordable Health Care Act, a.k.a. the Obama Care plan, has changed that for the better.

As I'm sure you are aware, we are in an election year and some candidates are vowing to repeal it. Keep that in mind.

To educate yourself on how the plans and tax credits work, you can go to Access Health CT (www.accesshealthct.com)

Words of warning in speaking with CPA's throughout the country - many of them have been the bearer of very disturbing news. Many clients, when applying for coverage, have under-reported their income, qualifying them for sizable tax credits which are applied to reduce their monthly premium. But when they get their taxes done, they find out they didn't qualify for part or all of the credit. The result? You owe!

Let me say that, personally, I do not handle health insurance, but I do have associates who do, so please contact me for a referral.

Chapter 8

The Single Greatest Threat to Your Financial Security

By Armen Abrahamian, CLTC, CSA

According to the US Department of Health and Human Services (www.longtermcare.gov) 70% of Americans over age 65 will face a long-term care (LTC) illness! Furthermore, the cost of such an illness can easily exceed $100,000 a year! Think about that for a moment. After working a lifetime to plan for a secure future, millions of Americans have completely underestimated the consequences of not taking this threat seriously.

So, when it comes to retirement planning, we need to address this issue. Since health insurance and Medicare were never designed to pay for LTC, that leaves you and your IRA's, 401-K's, savings, brokerage accounts, and several other assets in a very vulnerable position.

Many are asking… Am I protected? Will I burden my loved ones? Will I get the best care? What are my options?

Of course, you could decide to do nothing and simply self-insure. Unfortunately, you would be rolling the dice in a game where there is a high probability you will lose. The financial, emotional and physical consequences could be devastating to you and to your family.

Today there are several options to protect yourself and your loved ones. Let's highlight these LTC financing solutions…

<u>Long-Term Care Insurance</u> - Provides Income to Pay for LTC

<u>Advantages</u>

- Provides Benefits for Home Care, Assisted Living, and Nursing Homes
- CT Partnership for Long Term Care – Guarantees Asset Protection
- Flexibility – Shared Benefits for Couples; Cash Plans; Choose your own Caregivers
- Helps Maintain Dignity/Control/Independence
- Relieves Burden of Care
- Helps in Family Disputes
- Improves Quality of Care

• Potential Tax Deductibility

Disadvantages

• Possible Future Rate Increases
• Use it or lose it
• Requires Medical approval (Underwriting)

Hybrid Plans - Provides Benefits even if LTC is Never Needed

Advantages

• Guaranteed to cover all possible scenarios
• Provides Long Term Care Benefits
• Provides Death Benefits
• Provides Guaranteed Return of Premium
• Single Pay through 10 year pay options
• Great place to reposition underperforming assets such a low interest CD's
• 1035 Exchange is permitted from existing life insurance policy
• No possibility of Future Rate increases
• Excellent option for those who don't want LTC insurance and wish to self-insure

Disadvantages

• Larger Front-End Premium
• May not provide as much coverage as long-term care insurance
• CT-Partnership not available
• Requires Medical approval (Underwriting)

Life Insurance w/ LTC Benefits – Similar to Hybrids with less LTC

Advantages

• Provides Death Benefit - more death benefit than Hybrids
• Provides Long Term Care Benefits
• Re-pays estate in event of spend down
• No possibility of Future Rate increases
• 1035 Exchange is permitted from existing life insurance policy

Disadvantages

• Less LTC leverage than Hybrids
• Requires Medical approval (Underwriting)

Life Insurance – Guarantees Assets for Heirs

Advantages

- Provides Death Benefit
- Guarantees Asset Preservation
- Survivorship Life for couples – less expensive strategy
- Excellent option in Special Needs situation
- Re-pays estate in event of spend down
- Can be owned by Trust
- 1035 Exchange is permitted from existing life insurance policy
- No possibility of Future Rate increases

Disadvantages

- Doesn't provide living benefits
- Requires Medical approval (Underwriting)

Legacy Rescue – Gifting and Asset Transfer Strategies

Advantages

- Gift/Transfer to Irrevocable Trust or Individual(s)
- Protects assets that would otherwise be lost in a spend-down
- Best to use Life Insurance or Annuity
- Protected from Creditors/Divorce/Illness if gifted to Trust
- No Medical approval (underwriting) with Annuity
- Available if cannot qualify for long-term care insurance

Disadvantages

- Time Sensitive - 5 year look back
- Gifting means giving up full control
- Must trust the Trustees/Individuals
- Not protected from Creditors/Divorce/Illness if gifted to individual
- Trust can be cumbersome
- Life Insurance-Requires Medical approval (Underwriting)

Two Annuity Strategies – Pre-Planning

Advantages

- 1. Pre-Plan - "Tee it up" - establish annuity with special language in advance of a crisis
- 2. Tax free LTC benefits paid from annuity due to Pension Protection Act
- Maintain control of the Asset
- 1035 Exchange is permitted from existing life insurance policy or Annuity
- Little or No Medical Underwriting
- Available if you cannot qualify for long-term care insurance

Disadvantages

- Potential that future law changes may impact availability

<u>Actuarially Sound Annuity – Crisis Planning</u>

Protects Assets from Medicaid by Converting Assets into an Income Stream

<u>Advantages</u>

• Often used in "Crisis" Planning
• Provides Income Stream for Community Spouse
• Protects assets from Medicaid in advance of a Medicaid application
• Meets the October 2012 Lopes Case Criteria
• Best with Couples
• No Underwriting
• Income based on Life Expectancy

<u>Disadvantages</u>

• Potential that future law changes may impact availability
• Not as helpful for Single individuals

There are more, but the above strategies represent the best options to protect yourself and your loved ones. When you think about it, LTC planning is really "Financial Insurance". It saves you from having to deplete your savings and investments. Just like your home or car, we use insurance to pay for the things that are difficult to replace.

Ask yourself…without protection, which assets would you use to pay for long term care? Whether you realize it or not, you are creating a plan. And every plan has a cost. Usually, plans by default are much more expensive than designed plans. So…if you haven't planned by allocating ANY money to LTC, you have essentially allocated ALL your money to LTC. Doesn't it make sense to do something about it?

Call us today – We can help.
Our primary concern is protecting you and your loved ones.

Armen Abrahamian, CLTC, CSA

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Chapter 9

Working Together to Make a Stress-Free Retirement Plan

My retirement practice revolves around working for, and with, my clients and having them work with me and the various resources I can bring to the planning process and execution. Clearly, the most effective retirement planning, with optimal benefits for each client, is the result of an effective and ongoing two-way conversation, coordination with retirement experts and specialists, and with the exchange of the best information and ideas.

Our retirement planning practice is **best** suited for those who meet the following criteria:
Have $200,000 or more in retirement savings.
They are between 5 years pre- or 5 years post-retirement.
They are concerned enough to take the time now to plan.
For those who have less than $100,000 in retirement savings, I generally limit my time to offering free social security timing advice and answering questions over the phone.

The following are some key questions to keep in mind when choosing a retirement planner:

What Type of Advice Can a Retirement Planner Give Me?

A retirement planner or retirement advisor will be able to offer advice on:

- When to take Social Security benefits in a way that is best for you
- How to handle health care choices
- What pension distribution choices are right for you
- If an annuity is a suitable investment for you
- Which accounts to take withdrawals from each year, and in what amounts, to minimize the retirement taxes you will pay
- What amount of retirement income can you reasonably expect to have
- What withdrawal rate is appropriate when taking money from a traditional portfolio
- How much of your money should be in guaranteed investments?
- What types of taxable income your investments will generate
- How you can rearrange investments to reduce taxable income in retirement

- Whether you should leave your money in your company plan or roll it over into an IRA account
- Are your current investments still suitable for you in retirement?
- If you should pay off your mortgage prior to, or during, retirement
- If a reverse mortgage is a good option for you
- If you need long term care insurance or just long-term protection planning
- Whether you should keep your life insurance policies or not

How Much Do Retirement Planners Charge?

Retirement Planners may charge in any of the following ways:

- An hourly rate
- A flat fee to run a retirement income plan or retirement cash flow projection
- A quarterly or annual retainer fee
- A percentage of the assets that they manage on your behalf
- A combination of fees and commissions
- Commissions paid to them from financial or insurance products you buy through them

  The Department of Labor is currently looking into requiring financial advisors to act as fiduciaries when dealing with client retirement saving account which will affect how your adviser gets paid and what services they can offer. I already act as a fiduciary.

A Good Retirement Planner Will Not:

Make recommendations until they understand your expected time horizon, your level of experience with investments, your goals, your tolerance for investment risk, your need for guaranteed income, and a thorough understanding of all your current resources such as assets, liabilities, and current and future sources of income.

A Good Retirement Planner Will:

Want to know where all your investments are so that your portfolio, as a whole, will make sense and can be optimized to produce a steady stream of retirement income.

Monitor and update your plan as needed. In life one thing is constant - change. Each year, and perhaps more frequently, your income, investments and assumptions could change. This is why we stand ready to monitor and update your plan as needed, when needed.

Here is what I expect from you:

I invest a lot of time and expertise into putting together a retirement plan. I have no shortage of people to work with. I choose clients carefully to make sure I can be effective for them. Certainly, if you attended one of my workshops, I always offer a free consultation either by phone or in person. Both you and I, then, have a chance to see where it goes from there. I'll work with anyone who is receptive, and open and honest with their questions, their plans and their financial information. If you are currently working with another financial advisor and are not open to moving at least some of your retirement savings (or planning) into my care, there is no need to take up my time. I will only make recommendations that are fitting to your needs, wants, and desires and what you would like to achieve in retirement. If at any time you feel uncomfortable with the process, please tell me. Once you agree to the process, it would require meeting 2 to 3 times. You may only have one real opportunity to get things right so this planning should not be rushed, even as we keep the momentum and urgency of the overall retirement process going.

Chapter 10

Jack of all Trades, Master of None

From Wikipedia, the free encyclopedia

"**Jack of all trades, master of none**" is a figure of speech used in reference to a person that is competent with many skills, but spends so much time learning each new skill that they cannot become an expert in any particular one.

I've learned many things in life; one is to try not to be a know-it-all, but to surround yourself with experts and know when to refer to them.

Introducing the Business and Personal Benefit Planning Group This is a group of individual business specialists who are dedicated to providing proactive strategies to businesses, individuals and their families.

Many times, during our normal planning days, we come across situations which we recognize to be a financial land-mine, long before our clients do. Since we are dealing with all sorts of financial issues daily, our associates identify financial issues which we haven't uncovered. This happens because they are specialists in their field and work with these issues every day. Consequently, by having specialists in our group, this allows us to focus on our own specialty, thus bringing quality to our clients.

Our Planning Partners have a combined experience of over 250 years in the business and have formed a master mind group that helps business people and individuals solve their crucial financial challenges. *We offer educational seminars throughout Connecticut* on subjects like maximizing your Social Security, estate planning, probate, veterans' benefits, life insurance planning, business succession planning as well as medical insurance and long-term care coverage *and planning.* Our seminars have drawn thousands of attendees.

For More Information, Visit: www.bbpgrp.com

Business and Personal Benefit Planning Group

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Chapter 11

Last Chapter - Will We Write this one Together?

In my forward, I brought up the subject of writing the last chapter together. I would consider it a privilege and honor to do this with you. We can title it (your name)'s stress-free retirement plan. Is this something you would like to do?

Well, this brings us to the end, or a new beginning, of everything but that critical Last Chapter. Now it's time to part friends or become partners in planning. We both have a decision to make. Are you interested in working with me and am I interested in working with you?

Please list your concerns regarding retirement:

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Notes

How you can have a Stress-Free Retirement

Your Guide to working with a Retirement Planner

This book has been written in order for me to work more closely with those who are looking for guidance in retirement planning. With over 1,000 people attending my Social Security retirement planning workshops each year, and about 80% of them requesting a follow up consultation, I was looking for a way to better use my time in helping those who are in need. This book is a tool that explains my process and helps to clarify my planning techniques and best describes the person who will benefit most from my services. Please take the time to review this information prior to our next meeting.

Meet the Author

Dave is a leading expert when it comes to Social Security, being that it is the only source of continuous income in retirement. For most of us making the right choice could mean an additional $100,000 or more in benefits over your lifetime. Social Security has over 2,700 rules and regulations which can make it overwhelming for most to understand. They offer people dozens of options to claim benefits - Dave helps people find the right one for them. He often tells people, “I help hard working Americans to get more out of Social Security without working one more day”.

Dave’s expertise has earned his local AAA Motor Clubs endorsement to their 500,000 members with over 7,000 members attending one of his *Maximize your Social Security* workshops in the past. Sergeant McCoy, a leader in professional education courses for CPA’s, often has Dave as a guest on their webinars. He has been invited three times to Edward Jones headquarters in St Louis to film trading videos on Social Security and Medicare. These training tapes are available to their financial practitioners throughout the country. He is also invited into local corporations and towns to educate their employees.

Dave offers his clients a simple retirement plan that coordinates their Social Security, pension if available and their assets together into an inflation-adjusted, tax efficient plan. His plans are simple to understand, easy to follow and flexible as life and needs change. He is the author of a book *How to have a Stress-Free Retirement*.

Dave serves his community as Secretary of the Board of Directors of the VNA Community Health Care located in Guilford and is currently serving over 6,000 clients.

Dave lives in North Haven with his wife Renee, who also works in the office, and has two married daughters, Megan, living in Maryland with her husband Marc and granddaughter Siena, and another daughter, Brooke lives in Glastonbury with her husband Anthony, who graduated from Paier College of Art and is currently a general manager with Ulta Beauty Store in Avon CT.

David L. Cowan

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