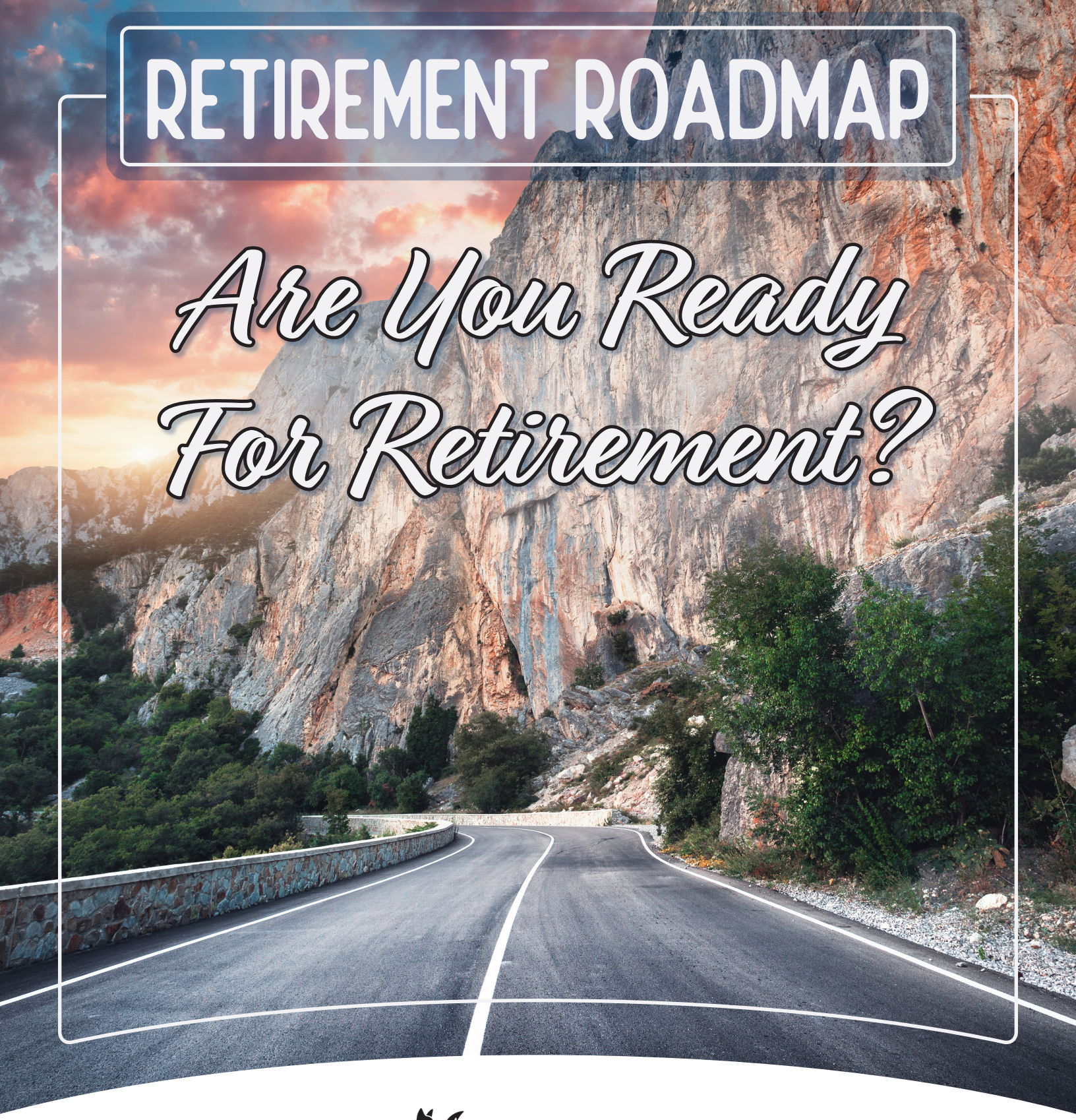
RETIREMENT ROADMAP

Are You Ready For Retirement?



ROGER FOX | Insurance + Financial Services

(727) 798-0031 | afgroger@msn.com

Use this retirement timeline to help determine the ages you should pay special attention to. It's a helpful tool to use as you develop a retirement income strategy with an insurance professional.

AGE:

50
INCREASE RETIREMENT SAVINGS

AGE 50: INCREASE RETIREMENT SAVINGS

Contribute up to $10,000 plus $6,000 in catch-up to 401(k)

Starting in 2015, pre-retirees age 50 and over can contribute up to $18,000 PLUS up to $6,000 in catch-up contributions (if allowed by employer) to their 401(k) plan.

55
PENALTY-FREE 401(k) ZONE

401(k)

AGE 55: PENALTY-FREE 401(k) ZONE

No federal tax penalty on withdrawals

If you retire at age 55 or older, you can potentially take distributions from your 401(k) or other employer-sponsored retirement plans without incurring penalties. You can avoid the usual 10% federal tax penalty on early withdrawals, but note that you'll still owe income taxes on these distributions.

59 1/2
PENALTY-FREE IRA ZONE ZONE

IRA

AGE 59 1/2: PENALTY-FREE IRA ZONE

No penalty on IRA withdrawals

Once you hit this half birthday, you may take IRA withdrawals without getting penalized. Traditional IRA withdrawals are taxed as income. Roth IRA distributions are tax-free and penalty-free if the Roth IRA has been held for at least five years.

62
SOCIAL SECURITY ELIGIBILITY

AGE 62: SOCIAL SECURITY ELIGIBILITY

Eligible to start receiving social security benefits

At age 62, you may be eligible to receive Social Security benefits. Keep in mind that if you start taking benefits at this age, your benefits will be reduced by a fraction of a percent for each month before your full retirement age (which varied depending on your birth year).

65
MEDICARE ELIGIBILITY

AGE 65: MEDICARE ELIGIBILITY

Eligible to sign up for Medicare benefits

Medicare is federal health insurance for people 65 or older and those under 65 with certain disabilities. Your initial enrollment period includes the month of your 65th birthday and the three months before and after. If you are already receiving Social Security benefits you will automatically be enrolled in Medicare, in most cases. You can learn more by visiting: medicare.gov

70
MAX SOCIAL SECURITY BENEFITS

AGE 70: MAXIMUM SOCIAL SECURITY BENEFITS

Eligible for increased payments after delaying benefits

If you delay claiming social security benefits, you may be eligible for increased payments. But after age 70 there is no additional incentive for delaying benefits.

73
MINIMUM DISTRIBUTIONS

AGE 73: MINIMUM DISTRIBUTIONS

Must start taking your annual required distributions (RDMs)

At this age, you must start taking your annual required minimum distributions (RMDs) from retirement accounts, such as a traditional IRA. Take note that RMDs are taxed as ordinary income.

Ready for Retirement?

Retirement—it's what you work your whole life for. While everyone will have their unique ideas for retirement (travel, spend time with family, a second career), there are some common challenges the next generation of retirees face.

These include longer life expectancies, inflation, market volatility, and taxes, all of which can make the prospect of a sustainable retirement difficult. And what if you have other goals, such as passing on a legacy to the next generation?

Our biggest goal is to help position our clients toward their ideal retirement and address the challenges they may face. We do this by building plans that address their specific needs and unique objectives.

We recognize how important retirement is for you. Whether you are just now saving, about to retire, or already in retirement, we have the solutions and experience to help you.

Our Keep-It-Simple Approach

Arrange your assets to last longer than you

Position retirement resources for an efficient tax treatment

Identify efficient wealth transfer strategies

Retirement Questions We Can Help You Answer

How much do I need for retirement?

When can I retire?

What financial products or solutions should I explore?

How long do I need retirement income?

How can I efficiently transfer a legacy to the next generation?

Is an annuity right for me?

What types of life insurance meet my objectives?

How does my 401(k)/IRA factor into my retirement plan?

Planning for retirement can involve many different kinds of solutions, products, and strategies. While many individuals only seriously begin to plan 10 years out from retirement, planning can (and should) begin earlier. One of the biggest risks consumers face now is outliving their money. Many consumers know this, which is why they seek options that offer significant growth potential—such as investments. But with this growth potential comes risk exposure.

While we have a wide menu of retirement solutions that can be incorporated into your retirement plan, we focus on safe money alternatives. These are products and solutions that can provide guaranteed growth with limited or no risk exposure. This can include, among other products, life insurance and annuities.

Life Insurance

The main purpose of life insurance is to replace income in the event of death. But life insurance has evolved to include many variations, some of which can accumulate an accessible cash value that can be drawn on during life or include living benefits to protect against illnesses that could deplete retirement savings.

Annuities

There are many types of annuities, however, most have two phases—accumulation and distribution. During the accumulation phase, fixed and fixed indexed annuities capture interest. During distribution, you begin to receive benefit payouts upon a triggering event. With certain elected features, it may be possible to secure a lifetime income stream from an annuity product.

Medicare

Medicare Basics:

Part A – Hospital Insurance
Part B – Medical Insurance
Part C – Medicare Advantage Plans
Part D – Prescription Drug Plans

Open Enrollment
Oct. 15th – Dec. 7th

Medigap OEP

For most beneficiaries, Medigap OEP lasts from the first day of the month they turn 65 or older and enroll in Part B, lasting six months.

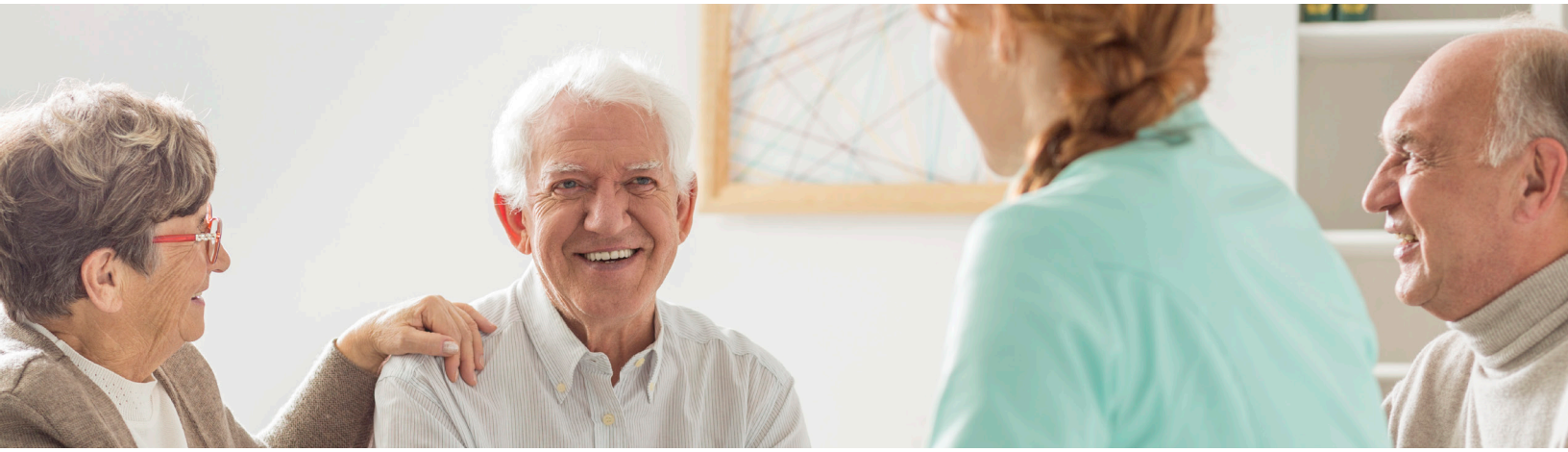
The process of obtaining, using, and understanding your Medicare coverage can be confusing. Medicare is a wide-reaching national healthcare program involving many guidelines and rules. The truth is Medicare can be complicated, may not cover all necessary services, and incur high out-of-pocket expenses. This is why many consumers seek out supplemental Medicare policies called Medigaps.

Medigaps are designed to provide coverage for things that traditional Medicare (Part A and Part B) do not. Often this includes non-covered items and services, as well as certain out-of-pocket expenses, depending on the particular Medigap policy. While all Medigaps provide the same basic benefits, there may be variation with additional benefits on a policy-to-policy comparison.

Medigaps involve enrollment timeframes that make obtaining or switching a policy outside of the Medigap Open Enrollment Period difficult unless a beneficiary meets certain specific conditions. This means that most beneficiaries will have one shot to get the best supplemental Medicare policy for them.

We have worked with many individuals like you find their best-fitting Medigap policy. Guiding you through your Medicare/Medigap options, we simplify the process so that you have a full understanding of your benefits.

Long Term Care



According to Longtermcare.gov 70% of people turning age 65 can expect to use some form of long-term care during their lives. The 2019 Genworth Cost of Care survey calculates the national annual median cost of care in a
semi-private room (nursing home) is $90,155.
A private room jumps to $102,200.

Planning ahead has very real benefits for you and your family. Long-term care services can be very expensive, with associated costs constantly rising. These expenses may endanger your retirement and savings. Further, lacking a plan could be a burden on your loved ones due to the time and finances required to look after you should long term care become necessary.

Long-Term Care Insurance helps to protect you against some of these expenses. With an array of progressive solutions, we can find the long-term care insurance policy that meets your goals and gives the protection you need.

A research brief conducted by the Center for Retirement Research at Boston College found that 58% of women used nursing home care at age 65 or after. For men, the percentage was 44%.

58% *58% of women used nursing home care at age 65 or after*

44% *44% of Men used nursing home care at age 65 or after*

Social Security

Social Security Questions We Can Help Answer:

How is my benefit determined and what age should I claim benefits?

How can I maximize my benefits and make them meaningful according to my objectives?

What about COLA's, divorced spouse benefits, and survivor benefits?

How will my benefits be affected if I continue to work and how will benefits affect income taxes?

How can I best coordinate social security with other retirement income sources?

When does it make sense to delay taking benefits?

Social Security planning is an incredibly important aspect of your overall retirement planning process. Many people aren't aware of Social Security issues or considerations that potentially impact their retirement outcomes. As with many other parts of the retirement process, failing to understand your Social Security options can cause you to lose out on money, and once you make your choice it often cannot be undone.

Social Security is a valuable asset and should be managed as such. For some people, this will mean using any number of Social Security maximization strategies. Although every individual will present a unique set of goals and financial constraints, in many cases it will pay off to delay taking Social Security benefits if possible. Because what will work best for you will ultimately depend on your specific financial situation, it is best to work with a financial advisor that has knowledge and expertise in this area of retirement planning.

We can help you understand your Social Security benefits, work through maximization strategies, and tie everything to your overall retirement goals.

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