



## Quick Links

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## What Keeps You Up at Night?

- Retirement
- Estate Planning
- Life Events
- Family Security
- Eldercare
- Financial Basics

**"Statements without documentation are only opinions."**

**FBG**  
First Benefits Group, Inc.  
*Pioneers in Financial and Healthcare Strategies*

## Money - It's All About the Benefits.



October 2017

The staff of First Benefits Group, Inc. would like to express our deep sorrow for the victims and their families who were affected by Hurricanes Harvey, Irma & Maria, as well as the September 29 earthquake in Mexico and the shooting in Las Vegas.

## Innovative Thinking on a Very Popular Subject - Money

### 1. Why are fixed and fixed indexed annuities so popular?

#### Safety - Safety - Safety

- Your principal is protected
- State Insurance Guaranty funds also protect principal (amount of protection varies by States)

- Complaints are handled at the local state level.
- Reasonable Growth Potential
- Tax Advantages
- Lifetime Income
- Estate Advantages

## 2. Open Enrollment for 2018 is right around the corner for both Medicare and Individual Health Insurance.

- **Medicare** is October 15 - December 7. This is the time to review your Medicare plan, explore your options and choose the plan that is right for you.
- **Individual Health Insurance.** The open enrollment is shorter this year compared to 2017. It starts on November 1st and ends on December 15th for coverage starting on January 1, 2018. All of the plans sold on or off the exchange must meet the guidelines of the affordable care act and are considered qualified health plans.

## 3. Do you know the answers to the six most important questions that need to be answered when making the transition from working to retirement?

- Can I retire at the present lifestyle and if so, will my money last as long as I do?
- Do I have enough predictable income to handle my essential lifestyle?
- When should I take Social Security?
- What do I need to know about Medicare and Long Term Care protection?
- What are the major threats to my money, and what can I do to eliminate or minimize these threats?
- What can I do to improve the efficiency of my money without incurring additional risk?



## 4. One of the most important adjective you should use when discussing your money is always.

- Guaranteed income is always a good choice in retirement.
- Guaranteed tax free income is always a good choice.
- Always pay taxes at the lowest rates possible. It raises the rate of return on your existing assets without taking-on market risk.
- Always plan for the long term because you might be on this earth longer than you think.
- Always plan for unexpected life events because they do happen.

## 5. It looks like the federal income tax rates will be changing. There will probably be a

lot of twists and turns before the final changes are in place. It would be good to review the final marginal tax rates once they are in place. You will want to review these rates with the original tax rates used when you took the deductions on your IRA's or 401K plans. There is a possibility the new tax rates might be lower than your deduction tax rates. It might be a good time to take distribution and pay the tax on the plans and take advantage of the tax spread.

**6. The grocery store manager was dumbfounded when I asked a very simple question.** I asked if I can sign a contract that would insure I would pay the same price in the future for all groceries at today's prices. I explained, "I just purchased a 30 year fixed rate loan on my house, and the contract says my payment will not change for the next 360 months regardless of market conditions and increasing inflation. I want to do the same thing at your grocery store. I will commit to buying all of my groceries at your store." Don't overlook the value of have a fixed rate mortgage especially in this low interest rate environment.

**7. What can we learn from the most recent hurricanes, Harvey, Irma, and Maria?** Hurricanes are expected events along the eastern and central coasts of the United States. It is important to set-up an equity line of credit on your home when no pending disasters are on the horizon, and when you qualify and don't need the money. **Access to cash is critical**, and you might need the money to survive the disaster. The cost, if any, to acquire a line of credit is minimal.

#### **8. Five key things to know about equity in your house:**

- Equity inside the house benefits the lender. Equity outside the house benefits the borrower.
- The equity in your house earns 0% interest.
- Mortgage is not debt if you have enough cash in a side fund to pay-off your house with a stroke of the pen. The mortgage is a financial obligation. It is a debt if you cannot pay the mortgage in its entirety with the stroke of a pen.
- A 30 year fixed rate mortgage locks-in a 30 year fixed payment regardless of the impact of inflation.
- The most expensive mortgage payment is your first payment. The least expensive payment is your last payment. Inflation determines the true cost of the payments.

**9. Are your Estate Planning documents in order?** It is important we avoid threats without money. We suggest you work with a competent estate planning attorney to execute at least the following basic estate planning documents:

- Last Will and Testament
- Designation of Health Care Surrogate
- Durable Power of Attorney
- Living Will
- HIPAA - individuals authorized to receive information on your medical care



**10. Are you working with a financial advisor or planner?** It is important they have a process in place during the life of the relationship and that they verify all of their recommendations. The process should contain most of these components: discovery, education, analysis, strategies, verification, implementation, and monitoring.

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First Benefits Group, Inc.

We are financial and insurance educators.

Our approach is unique and uncommon. We teach our clients how to be more efficient with their money. We can verify that being more efficient with your money is the safest method for building a solid foundation of protection and wealth.

There is more to be gained by avoiding losses than picking apparent winners.

We are experts in identifying threats to current and future lifestyles, and developing strategies to minimize or eliminate these threats.

To schedule a complimentary, no obligation appointment to discuss your personal circumstances, please call our office at 941.361.3057 x4.

Sincerely,

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