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

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

Dear Terry,

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



February 2017

### Four Wise Money Quotes

"There is a gigantic difference between earning a great deal of money and being rich." Marlene Dietrich

"If we command our wealth, we shall be rich and free. If our wealth commands us, we are poor indeed." Edmund Burke

"It's not how much money you make, but how much money you keep, how hard it works for you, and for how many generations you keep it." Robert Kiyosaki

"Rule #1: Never lose money. Rule #2: Never forget Rule #1." Warren Buffet

See below for additional wise money ideas.

## Innovative Thinking on a Very Popular Subject - Money

**1. Do you know the five major items that Medicare does not cover?** Medicare benefits can be very confusing. Listed are five services that are not covered.

- a. Hearing aids.
- b. Denture and Dental Care (there are a few exceptions).
- c. Eye Care - You are on the hook if all you need is eye glasses or contacts.
- d. Routine foot care. Medicare will only pay for medically necessary treatment of foot injuries and illnesses.
- e. Home health care services. Medicare will not pay for custodial or chronic care when you need assistance with "activities of daily living."



**2. We often discuss that there is no one "solve-all" financial product.** If there was one financial product that would "solve all" it would contain the following eleven benefits: Tax deferred growth - Tax Free Distribution - Competitive Return - High Contributions - Collateral Opportunities - Creditor Protection - No Loss Provisions - Guaranteed Loan Options - Unstructured Loan Payments - Liquidity Use and Control of Your Money - Deductible Contributions

**3. What happens when the last borrower sells a home or passes away, and there is a reverse mortgage?** You have three options:

- Repay the loan and keep the house.
- Sell the house and keep the excess proceeds from the mortgage balance.
- If the loan balance exceeds the home's value, deed the home to the lender. No repayment beyond the home's value is required. Heirs have 6 months to settle and can request up to three additional months if necessary.

**4. What is the ultimate financial strategy at retirement?** It is the ability to consume assets without the fear of running out of cash. This technique substantially increases cash flow, and usually reduces taxes at the same time. Is it too good to be true? Remember, they thought Galileo was a lunatic because he said, "the earth revolves around the sun, and the sun does not revolve around the earth." It does work, but it requires extraordinary and counter-intuitive thinking. Interested? Give us a call, and we will schedule a time to talk.

**5. When is the best time to secure a line of credit on your house?**

When you don't need the money, and the banks or financial institutions want to lend it to you. You don't have to draw upon the money, but it is available if you have an unexpected event and you need cash to fulfill an obligation. The cost to put the loan in place is often minimal. Financial conditions change rapidly making it important to secure the loan when the things are going well and you are in good financial shape.



**6. Are you planning on living on less at retirement by design or default?** Having no plan is a plan. Our research shows that most people want to maintain their current lifestyle in retirement. They want to make sure that their money lasts as long as they do. If you haven't planned, most likely, you'll have to live on less in retirement by

default. Plan early and review your progress at least once a year.

**7. What progress are you making toward socking away money for retirement?** According to James Kalamarides, CEO of Prudential Bank and Trust, there are five behaviors that prevent us from saving and investing.

1. Procrastination - Starting too late to save money.
2. Optimism - Markets are volatile. Many savers only look at the market going upwards.
3. Conformity - Buy high and sell low.
4. Short-term gratification.
5. Underestimating longevity - People are simply living longer.

**8. Optimism is inherent in many of our personalities.** We believe it is important to remember financial markets work like a bobble head. They move up and down. Most of us would like to see these markets always rising, but we know that is not the case. It is important to plan for corrections and unexpected events, and that your plan works in both good and bad markets. We are at market historical highs. A down market may be right around the corner.

**9. The pay phone, typewriter, pager, and keys for hotel rooms are obsolete.** There was no major announcement they just faded away like an older soldier. Our lives are changing quickly. Many of the financial strategies that were popular ten years ago no longer apply. Disruption is occurring in all sectors of the market place. It is important we continue to adapt to these changes to keep our money intact and working as efficiently as possible.

**10. I have an acquaintance who recently won \$50,000 in the state lottery.** They took the \$50,000 and paid off the mortgage on their house. In essence, they buried it in their backyard. They will be able to retrieve the cash when they sell or finance the house. Twenty years into the future the buying power will be \$22,000 assuming a 4% inflation rate. They do not plan on moving or financing the house. What is the rate of return on the \$50,000? Is this an efficient use of their money?

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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,

Terry O'Brien, Frances Lane, Gary Hickerson, BJ Mangrum



306 N. Rhodes Avenue, Suite 111  
Sarasota, FL 34237  
941.361.3057

[www.firstbenefits.net](http://www.firstbenefits.net)  
[tobrien@firstbenefits.net](mailto:tobrien@firstbenefits.net)

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