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Hello Everyone,

It seems like a trend with this newsletter that we are introducing new members of the Argus team every quarter. In our last newsletter we mentioned the hiring of our Client Services Associate, Lisa Wilkie. This quarter we would like to welcome Carter Robert Smith to the Argus team! He was born on November 30 and was 8lbs 15oz and 20 inches long. He joins his two older sisters and older brother as a member of the Smith family. The addition of Carter brings the total number of Argus kids to 10! Thank for all the well wishes and prayers!

The Argus team looks forward to a wonderful and healthy 2011. Please do not hesitate to contact us if you or someone you know experiences a life changing event and needs some guidance. We are always available to answer questions and be a resource for our clients and friends.

If you are inspired to read more financial information, visit our Learning Center at [www.EyeOnArgus.com](http://www.EyeOnArgus.com).

Please feel free to suggest topics by sending your suggestion to Joy at [joy@eyeonargus.com](mailto:joy@eyeonargus.com).

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*Excellence is Defined by the Success of Our Clients*

Winter 2011

## But Who Will Raise Them?

You are a great parent! You read to them every day, play hours of games with them, and make sure they eat nutritious meals. It seems that your whole life revolves around your children's school and activities. Last year, you started a college savings plan and updated your life insurance to make sure they would be taken care of financially. You are all set, right? There is at least one more question to ask. Who will raise them?

In most states, if you don't answer this question, a court will do it for you. It is unlikely that the court will know you and what you would have wanted for your children. Even though the court is obligated to consider a child's best interests, its choice may not be the one you would have made. So while you have made some great financial decisions to ensure the care of your family, you may have left out the most important estate planning decision of all, the choosing of a Guardian.

While procedures vary from state to state, the most common place to name a guardian is in your Will. A properly prepared Will gives you an opportunity to nominate a guardian, but still may not cover all of the bases. For one, there could be a delay as the Will is validated by the court. What happens to the children in the days, weeks, and months until the Will is validated and the guardian is accepted? Why take the chance that they will be with strangers during a time

when they will be upset from the loss of their parents? This is especially a concern if your chosen guardians live in a different state. In addition to the Will, it is a good idea to prepare a letter that provides a plan for your children in the short-term, until the long term guardians in the Will are accepted by the court. Also, this letter should provide an explanation of why you chose the guardians so that the court is most likely to follow your wishes.

So now that you know that you need guardians for your children, how do you choose? Here some factors to consider:

- Consider someone who shares your values and parenting style.
- Do they have the availability of time and the willingness to serve?
- How is their health? Are they an appropriate age?
- How is their relationship with your children?
- Are they financially stable?
- Would your children have to move?

While it is your responsibility to provide financial resources for your children's care, it is still important for your guardians to have some financial stability. Good parents aren't necessarily good money managers. You may want to choose a separate financial

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trustee for your children to avoid conflicts of interest and provide an additional voice in your children's care.

If you are married, it is very important that you are in agreement on your guardian choice. Naming different guardians could result in family feuds and costly court battles. Sometimes there is a temptation to name different guardians for different children. This may be appropriate for children from different marriages or vast age differences. In general, it may be better to keep brothers and sisters together to help in the transition to their life without their parents.

Once you choose a candidate for a guardian, sit down with them and discuss your decision and the responsibilities involved. Make sure they are willing to serve. Assure them that the financial resources will be available in addition to any additional support from other family and friends. Also, prepare some written instructions on how you would like your children raised along with your hopes and dreams for them. Are there family and friends that could have hurt feelings over your choice? If so, you may want to discuss your decision with them so that they understand your rea-

soning. Also, discuss other roles that they could play in the care of your children. Since life is full of change, name an alternate guardian in case the first choice is unavailable or has a change of heart.

Congratulations on taking the steps to plan for your children in the unlikelihood that you are not there to guide them. Given the importance and difficulty of these decisions, it would be wise to consult some experts to help. An experienced estate planning attorney and financial planner would help you identify your needs and develop solutions to ensure that your children are cared for by who you want and in the way you want.

FPA member A. Christopher Engle, LUTCF, CFP®, ChFC® is a partner with Argus Financial Consultants in Grand Rapids, MI.

Securities offered through LPL Financial, Member FINRA/SIPC.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.

## Social Security: When to Start Receiving Retirement Benefits

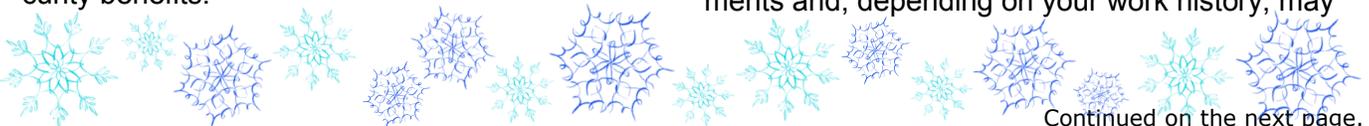
### Your decision is a personal one

Would it be better for you to begin receiving benefits early with a smaller monthly amount or wait for a larger monthly payment later that you may not receive as long? The answer is highly personal and depends on a number of factors, such as your current cash needs, your health and family longevity, whether you plan to work in retirement, whether you have other retirement income sources, your anticipated future financial needs and obligations, and, of course, the amount of your future Social Security benefit. We hope you will weigh all the facts carefully and consider your own circumstances before making the important decision about when to begin receiving Social Security benefits.



### Monthly payments differ substantially based on when you start receiving benefits

If you live to the average life expectancy for someone your age, you will receive about the same amount in lifetime benefits no matter whether you choose to start receiving benefits at age 62, full retirement age, age 70 or any age in between. However, monthly benefit amounts can differ substantially based on your retirement age. Basically, you can get lower monthly payments for a longer period of time or higher monthly payments over a shorter period of time. The amount you receive when you first get benefits sets the base for the amount you will receive for the rest of your life, though you do receive annual cost-of-living adjustments and, depending on your work history, may

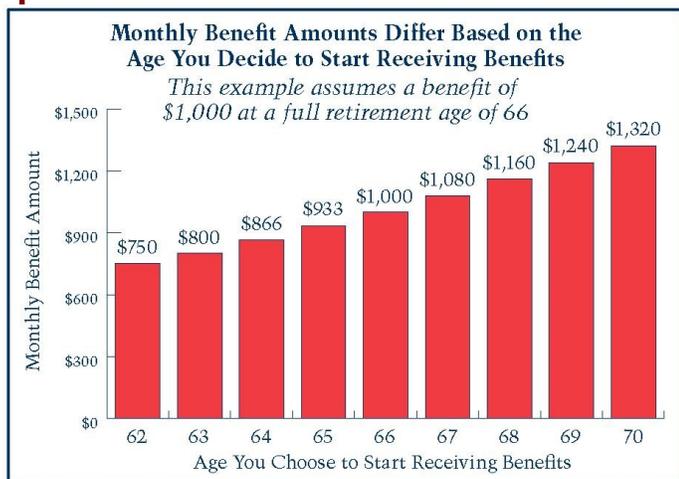


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receive higher benefits if you continue to work.

The following chart provides an example of how your monthly benefit amount can differ based on the age at which you decide to start receiving benefits.



2008, <http://www.socialsecurity.gov/pubs/10147.html#keepworking>

### Retirement may be longer than you think

When thinking about retirement, be sure to plan for the long term. Many of us will live much longer than the “average” retiree, and, generally, women tend to live longer than men. About one out of every four 65-year-olds today will live past age 90, and one out of 10 will live past age 95. Social Security benefits, which last as long as you live, provide valuable protection against outliving savings and other sources of retirement income. Again, you will want to choose a retirement age based on your circumstances so you will have sufficient income when you need it.

### Your decision could affect your family

Your spouse may be eligible for a benefit based on your work record (spouse benefits are reduced if claimed before the spouse’s full retirement age). If you die before your spouse, he or she may be eligible for a survivor benefit based on your work record, particularly if you have earned more than your spouse over your lifetime. If you begin receiving Social Security benefits early, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after the full retirement age to get benefits, your surviving spouse—if he or she is at least full retirement age—generally will receive the same benefit amount that you would have received.

Your children also may be eligible for a benefit on your work record if they are under age 18 or if they have a disability that began before age 22. For them to receive benefits, you must be getting benefits, too.

### You can keep working

When you reach your full retirement age, you can work and earn as much as you want and still receive your full Social Security benefit payment. If you are younger than full retirement age and if your earnings exceed certain dollar amounts, some of your benefit payments during the year will be withheld.

This does not mean you must try to limit your earnings. If we withhold some of your benefits because you continue to work, we will pay you a higher monthly benefit amount when you reach your full retirement age. In other words, if you would like to work and earn more than the exempt amount, you should know that it will not, on average, reduce the total value of lifetime benefits you receive from Social Security—and may actually increase them.

Here is how this works: after you reach full retirement age, we will recalculate your benefit amount to give you credit for any months in which you did not receive some benefit because of your earnings. In addition, as long as you continue to work and receive benefits, we will check your record every year to see whether the additional earnings will increase your monthly benefit.

### Don’t forget Medicare

If you plan to delay receiving benefits because you are working, you should sign up for Medicare three months before reaching age 65, regardless of when you reach full retirement age. Otherwise, your Medicare medical insurance, as well as prescription drug coverage, could be delayed, and you could be charged higher premiums.

### Additional resources

You can estimate benefit amounts and find more information to help you decide when to start receiving retirement benefits by using our Benefits Planners online at [www.socialsecurity.gov/planners](http://www.socialsecurity.gov/planners).

Information from the Social Security website: <http://www.socialsecurity.gov/pubs/10147.html#keepworking>

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## 2010 & 2011 Retirement Plan Contribution Limits

	Year	Maximum Contribution	Catch-Up Contribution*	Total Contribution with Catch-Up
IRA and Roth IRA Contribution Limits	2010	\$5,000	\$1,000	\$6,000
	2011	\$5,000	\$1,000	\$6,000
Contribution Limits for Other Retirement Plans	2010	\$16,500	\$5,500	\$22,000
	2011	\$16,500	\$5,500	\$22,000
SIMPLE IRA Contribution Limits for Elective Deferrals	2010	\$11,500	\$2,500	\$14,000
	2011	\$11,500	\$2,500	\$14,000
Roth IRA Phase-Out Limits for Contributions	Year	Married/Joint	Single or Head of Household	
	2010	\$167,000 - \$177,000	\$105,000 - \$120,000	
	2011	\$169,000 - \$179,000	\$107,000 - \$122,000	

\*Those who reach age 50 by year-end can contribute the additional catch-up amount.

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