

# RETIREMENT *IN* SIGHT

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MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES

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*“Enjoy the little things, for one day, you may look back and realize they were the big things.”*

- Robert Brault

## GOLF TIP

### Practice putting with tees

Next time you are on the practice green, line up a putt that doesn't break and put two tees on either side of your putter head, so that the putter can just pass through. Put the ball in the middle of the tees and try to putt without hitting them. This teaches you to putt using the putter's sweet spot.

## BRAIN TEASER

### Giving Them The Run Around

An elderly man walks. Two young men in excellent physical condition are just a few feet behind him, and they are sprinting. No matter how fast they run, they can't catch up with him. Why can't they - and where are these people?

## DID YOU KNOW?

### Neil Armstrong missed a deadline, nearly missed going to the moon

In 1962, he turned in his application for the second round of NASA astronaut hiring several days late. Dick Day, NASA's assistant head of flight crew operations, knew that Armstrong had “the right stuff” and secretly slipped his tardy application into the candidate pile on his behalf.<sup>4</sup>

## Can Your Life Insurance Policy Help You Out in Retirement?

Under certain circumstances, it can play a crucial financial role. Besides a death benefit, a permanent life insurance policy can accrue cash value over time (provided the premiums are paid). That cash value could prove useful in or near retirement. If you need to, you could withdraw some of it to pay for medical procedures, home improvements, long-term care, or a child's college education. It could even provide you with additional retirement income. Moreover, distributions from a permanent life insurance policy are tax free as opposed to distributions from traditional IRAs (and some other retirement plans), which are taxed at regular rates.

There is one notable negative to all this. When you take cash value from a life insurance policy, it is not a withdrawal - it is a loan. You are borrowing against the value of your policy, and in doing so, you reduce its death benefit. You can restore the full value of the death benefit by paying back the loan in full - but that loan may carry 7-8% interest. Also, life insurance premiums and fees can be costly when weighed against other retirement savings vehicles. Dollars that fund a permanent life insurance policy are also dollars that could alternately go into your other retirement accounts, which you do not pay premiums to keep up.<sup>1</sup>

## How Can You Actively Age?

The Centers for Disease Control and Prevention says that less than a third of adults aged 65-74 are physically active. Adhering to a fitness routine may be half the battle. What can you do to make working out less like work?

One, find an activity you truly enjoy - hiking, yoga, Zumba, softball, pickleball, what have you. Think about what motivates you most to exercise, keep it top of mind, and link it to that activity. Another way to make a sport or workout even more enjoyable: listen to some music, podcasts, or audio books, safety permitting. Finding others to join you may help dedicate you to it, and so can scheduling time for it. Importantly, you should talk to your doctor to see what kind of exertion your body can take on and how the sport or fitness pursuit you embrace corresponds to the pursuit of your fitness or weight loss goals. On another note, you can also look for other ways to incorporate more walking and movement into your everyday life.<sup>2</sup>

## On the BRIGHT SIDE

In 2014 (the most recent year for which data is available), the average contributor to a traditional IRA received a \$4,885 federal income tax deduction.<sup>3</sup>

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**\* BRAIN TEASER ANSWER: Stumped? Contact me for the answer! 251-517-0207**

CITATIONS.

- 1 - [kiplinger.com/article/investing/T034-C032-S014-careful-buying-life-insurance-for-your-retirement.html](http://kiplinger.com/article/investing/T034-C032-S014-careful-buying-life-insurance-for-your-retirement.html) [5/17]
- 2 - [money.usnews.com/money/blogs/on-retirement/articles/2017-01-19/12-steps-to-a-longer-healthier-retirement](http://money.usnews.com/money/blogs/on-retirement/articles/2017-01-19/12-steps-to-a-longer-healthier-retirement) [1/19/17]
- 3 - [fool.com/retirement/2017/02/04/retirement-in-2017-5-stats-everyone-should-know.aspx](http://fool.com/retirement/2017/02/04/retirement-in-2017-5-stats-everyone-should-know.aspx) [2/4/17]
- 4 - [tinyurl.com/ybsnunue](http://tinyurl.com/ybsnunue) [6/8/16]