

RETIREMENT *IN* SIGHT

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MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES

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"Walking is man's best medicine."

- Hippocrates

HEALTH TIP

Resist the sedentary life

Challenging your muscles through resistance training matters as you age. Any kind of resistance training, whether it employs weights, resistance bands, or body weight, can help older people build and maintain their muscles.

BRAIN TEASER

A Diced Proposition.

A six-sided die (one half of a standard pair of dice) is sitting on a table. You count 17 dots on all the sides that you can see. What side of the die is resting on the table?*

DID YOU KNOW?

The remarkable tale of two longstanding long jumps

Bob Beamon's long jump in the 1968 Olympics remains one of the most astonishing sports performances of all time. Yes, it occurred in high altitude in Mexico City – but it also shattered the world record by 21 inches. Not until 1991 was Beamon's jump surpassed, by fellow American Mike Powell. Powell still holds the world record 26 years later.⁵

A Retirement Plan... or a College Plan?

Some parents feel they should pay for all or part of their children's college education. They make it a financial priority and put saving for retirement further down on their to-do list. If their kids can graduate without any student loan debt, the thinking goes, they will be better positioned to provide financial support to mom and dad one day.

This assumption may be hazardous to retiree financial health. One, the kids may not be inclined to provide such support in the future. Cultural or familial expectations may not be realized. Two, students can receive financial aid; retirees cannot. Three, consider these numbers: a couple retiring today may have to pay \$275,000 or more in future medical costs, the current average annual Social Security benefit is less than \$16,000, and according to a recent PWC survey, half of baby boomers have less than \$100,000 saved for retirement. The takeaway here? Unless you are impressively wealthy, you should be regularly funding retirement accounts first, without interruptions, reductions to contributions, or drawdowns to pay for college. Your young adult children should recognize that their college years mark the start of their financial lives, with attendant financial responsibilities.^{1,2}

Retiring with a Roommate Could Make Life Easier

About 35% of baby boomers are single. Many of them are women. Should they retire alone? There is an alternative: single boomers could elect to retire with a roommate, ideally of the same generation.

The advantages are significant. There is another person to contribute household income, perform chores, provide some level of companionship, and call 911 in an emergency. Taking in a roommate (or two) fills an underpopulated house and helps seniors to age in place. A formal rental agreement makes sense here, one that also establishes the shared and private areas of the home, plus visitor and overnight guest rules. A formal background check should be arranged on anyone the retiree renter does not personally know. Living with roommates also means living with their habits, belief systems, opinions, and schedules; if revenue and good company outweigh these idiosyncrasies, then inviting a roommate into one's home may be worthwhile in retirement.³

On the BRIGHT SIDE

Social Security's cost-of-living adjustment will be 2.0% for 2018. This is the largest COLA since 2012, and far surpasses the 0.3% COLA given to recipients for 2017.⁴

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*** BRAIN TEASER ANSWER: Stumped? Contact me for the answer! «representativephone»**

CITATIONS.

- 1 - forbes.com/sites/andrewjosuweit/2017/10/08/where-to-invest-your-retirement-account-or-your-childs-529/ [10/8/17]
- 2 - fool.com/retirement/2016/12/17/baby-boomers-average-savings-for-retirement.aspx [12/17/16]
- 3 - nextavenue.org/roommates-in-retirement-golden-girls/ [10/12/17]
- 4 - marketwatch.com/story/social-security-checks-expected-to-increase-2-in-2018-2017-10-13/ [10/13/17]
- 5 - thoughtco.com/mens-long-jump-world-records-3258952 [6/3/17]