

# RETIREMENT *IN* SIGHT

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MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES

## NOVEMBER 2014

*"No one is useless in this world who lightens the burdens of another."*

- Charles Dickens

## RECIPE

### Pecan & Walnut Pie

1¼ cups light corn syrup  
½ cup packed dark brown sugar  
¼ cup granulated sugar  
3 large eggs  
2 tbsps. unsalted butter, melted  
2 teaspoons pure vanilla extract  
¼ teaspoon kosher salt  
1 cup pecan halves  
1 cup walnut halves  
1 piecrust, fitted into 9" pie plate

First, heat oven to 350° F. Next, whisk together corn syrup, brown & granulated sugars, eggs, butter, vanilla and salt in a large bowl. Then, mix in pecans and walnuts. Place the pie plate on a rimmed baking sheet. Fill with the nut mixture and bake until the center is set. Let cool completely before serving.

## BRAIN TEASER

### Feathered Factoid.

What bird, which sometimes roosts in trees, is the only breed of poultry native to the Western Hemisphere?\*

## DID YOU KNOW?

### There's plenty of room up north

Alaska has a population density of just 1.0 person per square mile. If New York City was populated that lightly, only 16 people would live in Manhattan.<sup>4</sup>

## HAVE YOU TAKEN YOUR 2014 RMD YET?

Owners of traditional IRAs who are in their seventies have to take mandatory annual withdrawals from those IRAs by December 31 of each year; exceptions are only made for first-timers. A new report from Fidelity Investments, however, suggests that too many of these retirees are going to push the deadline.

In the hubbub of the holiday season, there is the chance that a mandatory IRA withdrawal will be forgotten. According to the Treasury Inspector General, up to 250,000 IRA owners forget to take Required Minimum Distributions (RMDs) per year. Fidelity recently looked at 750,000 traditional IRAs requiring 2014 RMDs and found that 68% of their owners had taken only partial RMDs or less. In fact, 56% hadn't withdrawn a penny from their accounts yet.

Nonchalance or forgetfulness on the part of the IRA owner can lead to a missed RMD; also, some people just don't open their mail regularly. Inherited IRAs are routinely subject to RMDs, but many heirs don't realize it. Lastly, when a new IRA is opened during a given year, the financial institution hosting the account isn't required to tell the new account holder about RMDs until the next year. Taking an RMD on time is crucial and saves the traditional IRA owner from a tax penalty equal to 50% of the required withdrawal amount.<sup>1</sup>

## TAKING THAT TRIP OF A LIFETIME, MORE AFFORDABLY

Maybe you've always wanted to go to China, or India, or France... but the practical question becomes "Can I afford it?" A 12-day trip to China or an 8-day cruise down the Rhine, for example, can easily cost several thousand dollars.

There are ways to knock down the cost of that dream trip. One, schedule it for the "shoulder seasons" or even the off-season. Just that little move alone could save you hundreds or thousands of dollars. (Off-season cruises in particular can amount to great values.) Two, look at going all-inclusive or taking a group tour; any loss of flexibility might be a minor tradeoff for major savings. Knowing how much money you are going to spend up front allows you to travel with less uncertainty. Lastly, if you are single, see if you can avoid going alone. Solo travel often ends up costing much more per-person than group travel or even just vacationing as a couple.<sup>2</sup>

## ON THE BRIGHT SIDE

Earlier this year, *Consumer Reports* surveyed more than 24,000 of its subscribers aged 55-75. It found that 74% of the respondents who had already retired had expenses equal to or less than what they had expected when they left work.<sup>3</sup>

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\* TRIVIA ANSWER: Stumped? Contact me for the answer! «representativephone»

CITATIONS.

- 1 - [time.com/money/3576942/retirement-ira-deadline-penalties/](http://time.com/money/3576942/retirement-ira-deadline-penalties/) [11/11/14]
- 2 - [reuters.com/article/2014/10/08/retirement-travel-costs-idUSL2N0RV2FS20141008](http://reuters.com/article/2014/10/08/retirement-travel-costs-idUSL2N0RV2FS20141008) [10/8/14]
- 3 - [consumerreports.org/cro/magazine/2014/10/stop-freaking-out-about-retirement/index.htm](http://consumerreports.org/cro/magazine/2014/10/stop-freaking-out-about-retirement/index.htm) [8/14]
- 4 - [graylinealaska.com/blog/post.cfm/49-things-you-didn-t-know-about-alaska](http://graylinealaska.com/blog/post.cfm/49-things-you-didn-t-know-about-alaska) [7/30/12]