

RETIREMENT / INSIGHT

Presented by Matthew Jehn, CFP

MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES

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"Nothing in life is to be feared, it is only to be understood. Now is the time to understand more, so that we may fear less."

- Marie Curie

HEALTH TIP

Your Knees Need Your Care

How can you strengthen your knees? Try some simple knee extensions. Keeping your back straight, step forward with one foot, until the front knee is at a right angle. Begin by doing a set of 20 for each leg. Holding small dumbbell weights with your hands at your side can increase the intensity.

BRAIN TEASER

A Sticky Puzzle.

What travels around the world, but only stays in corners?*

DID YOU KNOW?

Robots have classical roots

Archytas, the Greek mathematician regarded as the father of mechanical engineering, built an artificial bird in the 4th century B.C. that qualifies as the first robot. It was made out of wood, powered by steam, and suspended from a pivot bar. Records show that it "flew" roughly 650 feet.⁵

NEED TO CATCH UP ON RETIREMENT SAVING?

If life events have hampered your retirement savings effort, what can you do to get back on track and improve your prospects for the future?

You have some options. If you will be 50 or older in 2016, you can take advantage of the catch-up contribution rules on retirement accounts. As an example, the limit on annual 401(k) and 403(b) deferrals is currently \$18,000 for most people, but \$24,000 for people 50 and older. You can also free up money that can be directed into savings by reducing your revolving debt and your housing and transportation costs. Accept the fact that you will need to invest for growth and assume risk in doing so. An overly conservative investment approach may thwart your potential to boost your savings. A balanced portfolio may provide some insulation in downturns as well as strong potential for gains as the market rises.¹

Desperation can plague boomers with scant retirement savings, but you do not need to succumb to it. Refrain from directing your money into investment opportunities that seem too good to be true or too arcane to comprehend. Resist the temptation to time the market or plunge into day trading. Finally, you can work longer if life permits. Claiming Social Security at 70 rather than 62 can mean 76% more lifetime Social Security income; extra years on the job can give you more money to direct into a retirement plan and pay down debts.²

BABY BOOMERS SET A NEW RECORD FOR CHARITABLE GIFTING

In 2014, donations to U.S. charities and nonprofits reached an all-time peak of \$358 billion according to Giving USA. The 2015 total has not yet been compiled, but it is expected to be larger.

A recent AgeWave/Merrill Lynch survey shows that retirees are the most charitably inclined demographic. Seventy percent of retired respondents to that survey cited generosity as a significant contributor to happiness. Charities may reap a "longevity bonus" from this generation: Merrill Lynch forecasts that between now and 2035, retirees will donate about \$6.6 trillion to nonprofits. While millennials gift greatly to organizations focused on the environment and animal rights, the highest percentage of charitable gifts from retirees goes to faith-based groups.³

ON THE BRIGHT SIDE

According to the Federal Reserve, retirement savings as a percentage of household income increased during the Great Recession and afterward – from 124% in 2007 to 128% in 2013.⁴

Matthew Jehn, CFP may be reached at
614-842-6090 or matt@royaloakfinancialgroup.com
www.royaloakfinancialgroup.com

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* TRIVIA ANSWER: Stumped? Contact me for the answer! 614-842-6090

CITATIONS.

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- 2 - tinyurl.com/js8vsns [7/25/15]
- 3 - thestreet.com/story/13404202/1/charitable-donations-hit-new-record-as-baby-boomers-join-mark-zuckerberg-in-giving.html [12/21/15]
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