

# Wealth News

January 2010

Information from SACU and CFS\* to help keep your financial life in balance

## Consumer Sense

### Retirement Income Planning

Planning for retirement often involves asking yourself some questions that may be difficult to answer. What will my retirement look like? Have I saved enough? Do I have sufficient assets to cover all of my expenses so that my desired lifestyle may be maintained for years to come?

One of the first and important steps in analyzing one's retirement picture is having a detailed budget where expenses can be matched to sources of income. Shortfalls in income may be uncovered. Once fixed sources of income such as social security, pensions, etc., have been exhausted, an experienced financial advisor can be very helpful in determining the assets that may be used to generate additional sustainable sources of income.

Next, it is necessary to prepare for some of the major risks retirees often face. These risks include but are not limited to:

- longevity risk
- inflation risk
- market risk
- health care and social security risk

Source: [Bureau of Labor Statistics](#)

### Have You Read...

***Live Long Live Rich: Creating Your Retirement Paycheck with Award Winning Retirement Planning by H. Craig Rappaport.*** This is the first guide for people who want to know how to invest to create retirement income. Retirement is a new chapter in your life and should be a time free from worry.

**Longevity risk** is the risk of outliving assets. While living a long and healthy life is a significant life goal for most, it's important to determine how to make your assets and income do the same. It is possible for someone to spend nearly as many years in retirement as they did in the workforce.

**Inflation risk** deals with the erosion of assets due to the rising costs of goods and services. The average annual rate of inflation in the United States from 1913 -2006 was 3.4 percent, thus, keeping pace with inflation while not subjecting assets to unnecessary risk is a balancing act that an experienced financial advisor may help with.

**Market risk** deals with potentially taking too much risk with your portfolio or possibly, not enough. Finding the right balance to your own comfort level while still maintaining a clear path to reach your objectives is the goal.

### Health Care and Social Security

The cost of health care and issues surrounding Social Security are becoming increasingly difficult to manage. While retirees are living longer lives and the cost of health care is increasing substantially, budgeting for costs and finding the right insurance programs is extremely important. Understanding your rights and benefits is vital in planning for your retirement years.

### Who Can Assist Me?

The aid of an experienced financial advisor can be an invaluable resource in navigating your retirement journey. A financial advisor at SACU can assist you in answering your questions.

To schedule your complimentary appointment with one of our investment representatives, call U. S. Toll Free 1-800-234-7228, extensions 1071 or 1442 today. You can view your [Investment Professionals](#) on [sacu.com](#).

# SACU

*Your Dream Is Our Mission...*

At SACU, our CFS\* financial advisors are committed to providing products and services that help you and your family build your personal financial wealth and financial well being. Interested in Learning More? Call 1-800-234-7228 ext. 1071 or ext. 1442.

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\*For specific tax advice, please consult a qualified tax professional.