

RETIREMENT *IN* SIGHT

Presented by Robert W. Bruner

MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES

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“Think of all the beauty still left around you and be happy.”

- Anne Frank

TRAVEL TIP

Read the news before a new travel experience

Heading to another part of the country or the world? Head to the local newspaper’s website and read what’s going on. What you learn will give you a better feel for the place you will soon visit.

BRAIN TEASER

Sibling Stumper.

The Chandlers have six daughters. Each daughter has a brother. So what is the minimum amount of people in the Chandler family?*

DID YOU KNOW?

Soap doesn’t kill bacteria

In combination, soap, water, and the friction of washing and scrubbing removes bacteria from the surface of your flesh. Bacteria doesn’t die in the process. Instead, it either rinses off with the water or is transferred to a towel or washcloth.⁴

Why You Might Not Want a Lump-Sum Retirement Payout

Do you have the option of receiving your retirement money as a lump sum? You may want to turn that choice down. A new MetLife study, *Paycheck or Pot of Gold*, warns of the “lottery effect” that can occur when all that money makes its way into a household at once. Surveying more than 1,050 retirement plan participants who had taken lump-sum payouts, MetLife found that 21% had already used up 100% of that money; on average, it had disappeared in less than six years.

Like a lottery winner bereft of financial counseling, a recipient of a lump-sum retirement payout can too easily find ways to part with those dollars. What did the respondents to the MetLife survey do within a year of taking their lump sums? In some cases, the money was practically spent: 27% used the funds to attack debt, and 20% said that they made home improvements. On the other hand, 22% gave some of the money away (sometimes to family members and friends), and 12% bought a new car or took a major vacation. Looking back, 31% lamented some of their buying and spending decisions in the first year after taking the lump sum, and 23% regretted financial gifts they had made. Education about the merits and demerits of lump-sum payouts may be insufficient – in the survey, only 45% of pension plan participants offered the choice between a lump sum or a lifelong income stream remembered being given a comparison of the two options.¹

Baby Boomers Redefine the Recliner

The easy chair – a mainstay of living rooms during the 1960s and 1970s – is making a comeback thanks to demand from boomers. Recliners back then were often big, bulky, and ugly; now, they have cleaner lines and smaller footprints. Lift chairs, which help seated people rise more easily, are also losing their institutional look.

La-Z-Boy introduced the recliner back in 1928, and if the furniture makers who came up with that first design were to see recliners today, they would undoubtedly be impressed with their evolution. Some of the new reclining chairs and sectionals are “wall huggers” – the seat moves forward when the unit reclines, which means you can place the recliner against a wall. Many have better lumbar and neck support than their predecessors, and some will even charge your phone or keep your drink cool. A 2015 *Furniture Today* study showed that 40% of recliners were being bought by baby boomer households.²

On the BRIGHT SIDE

A little-known IRA fact: if you retire, but your spouse keeps working, your spouse may be eligible to contribute up to \$6,500 a year to an IRA (or IRAs) you own.³

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

CITATIONS.

1 - nextavenue.org/lump-sum-annuity-retirement/ [4/11/17]

2 - mercurynews.com/2017/03/27/embraced-by-baby-boomers-recliners-get-a-makeover/ [3/27/17]

3 - kiplinger.com/article/retirement/T054-C000-S001-4-overlooked-tax-breaks-for-retirees.html [3/14/17]

4 - todayifoundout.com/index.php/2015/01/plain-old-soap-doesnt-kill-bacteria-can-really-effective-getting-rid/ [1/8/15]