

6 RETIREMENT MYTHS

WHAT IS REAL AND WHAT ISN'T?



Let's take a look this month at prevalent retirement myths. Many have circulated for years and are engrained as "prevailing wisdom".

YOU'LL SPEND LESS IN RETIREMENT

You probably won't. Yes, you'll save on commuting expenses and dry-cleaning or clothing if you have a job that requires that. However, since you'll have so much time on your hands, you'll have more time (and excuses) to spend money. You have more time for projects around the house, for gardening, running over to Home Depot for something you need, etc. You'll have more time for hobbies and rarely are they cheap! Studies have shown people spend the same in retirement as to when they were working.

SOCIAL SECURITY WILL COVER MOST OF YOUR EXPENSES

This is rarely true. Particularly if you claim benefits early. The earlier you take it, the lower your benefit. Your be-

nefit is maxed out at age 70. The amount you receive is a formula based on your highest 35 years of earnings.

Social Security should be part of your three-legged retirement stool. The other parts are your personal savings and any retirement plans you may have. I'm sure some of you are snickering about your "wobbly" three-legged stool.

MEDICARE WILL COVER YOUR MEDICAL BILLS FOR FREE

First of all, Medicare is not free. At least Medicare Part B which is what everyone usually refers to. Part B is doctor's insurance. For example, in 2024 Part B is \$174.70 each per month for a married couple making less than \$206k a year. It goes up from there for higher earners.

If you want a MediGap policy, that is an additional fee.

YOU'LL LIVE IN THE SAME PLACE DURING RETIREMENT

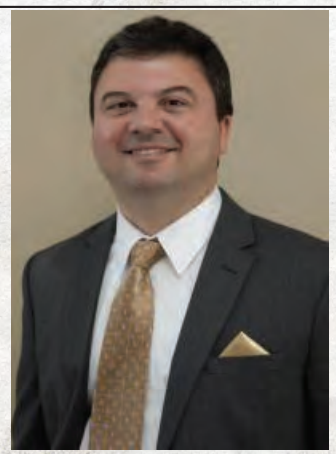
Many people move after they retire. They are no longer geographically constrained because of their job. They are free to move somewhere warmer and where they don't have to battle the snow. Maybe they prefer being closer to

their kids or grandkids. They realize life is too short and they want to take advantage of it.

Another possibility is that retirees will have to move due to medical reasons. If they have a two-story home and they get tired of the up-and-down of the stairs and want to move to a single-story home.

THE STOCK MARKET IS TOO RISKY TO INVEST IN DURING RETIREMENT

By no means should you put all your money into the latest hot stock. Or even the entire stock market for that matter. But it would be foolish to think that if you retire in your 60s, you can live off CDs for the next 30 years.



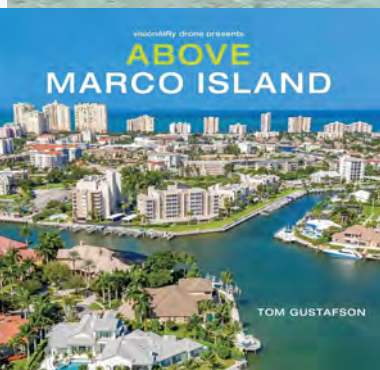
It's already March! By the time you read this, we will be about 20% into the year. Crazy. It seems we were celebrating the holidays a few weeks ago. For me, March is synonymous with Spring Break and March Madness. I've also always heard "Beware the Ides of March". But what exactly is that? The Ides of March is the 74th day in the Roman calendar, corresponding to March 15th. It was marked by several religious observances and was a deadline for settling debts in Rome. In 44 BC, it became notorious as the date of the assassination of Julius Caesar, which made the Ides of March a turning point in Roman history. A seer had warned that harm would come to Caesar on the Ides of March. This meeting is famously dramatised in William Shakespeare's play Julius Caesar, when Caesar is warned by the soothsayer to "beware the Ides of March." Alexis Hongamen, CFP®, CRPC®



"... continued on page 2"

7 Places In Florida Where Floridians Vacation

- **Ana Maria Island**....Located between Sarasota and Bradenton, it gives an old Florida vibe with no chain restaurants or high rises. Most places to stay are mom-and-pop independent hotels
- **Sanibel and Captiva Island**.....Most places are still closed since Hurricane Ian unfortunately. Sanibel is known as the seashell capital of the world. Nearby Boca Grande is well known for its tarpon fishing. Very laid back vibe here. Located in SW Florida.
- **Destin**...Beautiful turquoise water and sugar sand beaches rival those in the Caribbean. More peaceful than neighboring Panama City Beach. Crab Island is a huge sandbar where people go with their boats to have a great time. Located in the Fla Panhandle.
- **Islamorada**...Located in the Northern Keys, it is known as the Sportfishing Capital. The warm weather guarantees great fishing year round. Visit Robbie's where you can handfeed tarpon right from the dock.
- **Delray Beach**...Located between Ft Lauderdale and West Palm. Downtown Delray has a really artsy vibe with nice restaurants, art galleries, and boutiques. It also has a nice beach close by.
- **Marco Island**....100 miles west of Miami, my family used to vacation here all the time when I was a kid. There's a nice combo of beach with salt/freshwater fishing and boating here.
- **Cocoa Beach**....A short drive from Orlando you can find surfing and rocket launches! SpaceX is launching frequently now so there are good odds to be able to see a launch up close.



"...from page 1"

You need your investments to outpace inflation and taxes. A thoughtful mix of all investment categories is a best practice. One bad setback won't sink your boat.

I CAN WAIT TO START SAVING FOR RETIREMENT UNTIL "LATER"

Although it is never too late to start saving, the earlier the better obviously. Slow and steady wins the race. Even a little at a young age will allow your savings to start snowballing. There is no better time than now!

There will always be competing needs. College loans, wedding expenses, a house, kids, their college etc.

BOTTOM LINE The more prepared you are, the better. No two retirement experiences are the same, so generalized advice does not apply across the board. Buying into myths can lead to costly mistakes. It's in your best interest to take what you hear about retirement with a grain of salt, do your research, and turn to a trusted financial advisor for guidance..



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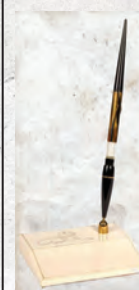
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I have been quoted in the following publications:



Flashback 45 Years Ago This Month

Questions? Call Alexis' cell 407-729-8516

MOVIES: March 1979

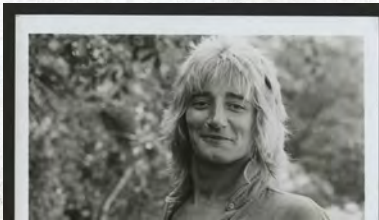
- **The China Syndrome**.....A reporter finds a cover-up of hazards at a nuclear power plant. Interesting that 3-Mile Island was taking place at the same time.
- **Norma Rae**.....A young single mother (Sally Field) and textile worker agrees to help unionize her mill despite the problems and dangers involved.
- **Buck Rogers in the 25th Century**.....A 20th century astronaut (Gil Gerard) emerges out of 500-years of suspended animation into a future time where Earth is threatened by alien invaders. As a pre-teen boy, I loved this movie!!!
- **La Cage Aux Folles**.....The manager of a Saint-Tropez nightclub features drag entertainment, & his star attraction are a gay couple. Hijinks ensue when his straight son brings home a fiancée & her conservative parents to meet them.
- **Hair**.....Based on the cult Broadway musical of the 60s, tells a story about a young man from Oklahoma who comes to NYC. He strikes up a friendship with a group of hippies, & falls in love with a rich girl. Their happiness is short because he must go to the Vietnam war



MUSIC

Billboard Hot 100: Disco is King in March 1979!!

- **Le Freak (Chic)**
- **Shake Your Groove Thing (Peaches & Herb)**
- **I Will Survive (Gloria Gaynor)**
- **Do Ya Think I'm Sexy? (Rod Stewart)**
Rod is still going strong!
- **Y.M.C.A. (Village People)**
Everyone loves this song.....right?



NEWS/SPORTS



- US Voyager I photo reveals Jupiter's rings for the first time.
- US House of Representatives begins live TV broadcasts via C-SPAN for first time.
- 41st NCAA Men's Basketball Championship: Michigan State beats Indiana State, 75-64; marks start of rivalry between future Hall of Famers Magic Johnson and Larry Bird; highest-rated game in history of televised college basketball
- Israeli Prime Minister Menachem Begin and Egyptian President Anwar Sadat sign the Egypt-Israel Peace Treaty in Washington, D.C.
- US Supreme Court rules 8-1 that cops can't randomly stop cars
- A partial meltdown at Three Mile Island nuclear plant in the US results in the release of radioactive gas and iodine into the atmosphere but no deaths.



Q&A

I just retired and want to leave my 401k as an inheritance to my son when I pass away. How can I make that happen? Donald T.

The absolute best thing is to make sure they are the designated beneficiary on the account. Please remember that beneficiaries override anything in a will.

401Ks may have some plan-specific rules, but most have the same rules as IRAs.

An accepted best practice is to consolidate your various retirement accounts (401Ks from various employers and IRAs) into one for ease of management.

Children beneficiaries are treated differently than spousal beneficiaries. They can take the money in a lump sum or roll it into an Inherited IRA. Of course, there are tax implications to both with the lump sum payment being the worst tax-wise.

These rules can be very complex. Remember that an option is to start gifting some of the money while you are still alive. In 2024, you can gift \$18,000 a year without being subject to the gift tax.

How much should I contribute to my 401k at work? Joanna C.

A best practice is to save at least whatever your employer matches. It's free money!

After that, take a look at what debt you have and what interest rate you are paying. Of course you want to address any revolving high interest credit card debt right away.

You need to have emergency money to carry you over in case of a job loss, or you suddenly need to pay for a major expense.

In general, you need to save 10%-15% of what you make to have a good retirement. Work with a financial planner to come up with a personal strategy for you!

Idiom Of The Month

"The Peanut Gallery"



We've all heard "Any comments from the peanut gallery?" or "Quiet in the peanut gallery!" But where did the phrase come from?

It dates back all the way to the 1860s. That was when vaudeville came to the US from France. In those days, the cheapest seats in the back or in the second level were given the nickname "the peanut gallery". This was because the occupants

also often bought the cheapest snack sold, which were peanuts. They also would often throw the peanuts towards the performers to express displeasure. Hence, the nickname.

HOWDY DOODY

If you are of a certain age, you remember the Howdy Doody show. It started in 1947 as one of the nation's first television shows for children.

The host, Buffalo Bob Smith, his sidekick Howdy Doody (a marioette) and Clarabell the clown, would entertain kids sitting in bleachers on the set of the show.

Each episode opened with the kids singing the "It's Howdy Doody Time" theme song and were then filmed reacting to the performers' antics. Buffalo Bob referred to them as the "peanut gallery".

This may have reinforced the references of a group of people sitting together, being rowdy and making comments.



FINANCIAL DAD JOKES...(my apologies in advance)

1. **Why did the cowboy walk into the financial advisor's office?** He heard it was a "bull" market.
2. **Why should you buy stock in a boulder company?** Because it is a "rock" solid investment.
3. **Why was the CPA waiting on her front porch?** She was waiting for her tax to return.
4. **Why is CFO never written in lowercase?** They are in charge of "Capital".
5. **Why did the accountant throw a dictionary on the grill?** He was trying to "cook the books".
6. **Why do investors always buy Altoids?** They're great invest-mints.
7. **How do you tell an accountant to be quiet?** You tell them to use their invoice.
8. **What do you call a vendor that never tells the truth?** A Supp-liar.
9. **I bite all my quarters...** Now I have a lot of bit-coin
10. **How did the Medical Plan say goodbye?** The deductible waived
11. **Why did the cash analyst become a pirate?** Because she knew a lot about treasury
12. **Why couldn't they sell the Tower of Pisa?** There was a "lien" on it.
13. **Why did the businessman throw all his money in the river?** He wanted to see his "cash flow"
14. **What's it called when Visa kicks a Field Goal?** A "credit score"
15. **How did the mortgage on the deserted island feel?** A loan

Sorry!! I warned you!!