



A RETIREMENT REALITY CHECK

If you have already retired or if you can count the number of years until retirement on your fingers then please heed this friendly warning: *Unless you're already making the most of your current retirement planning strategies, then it may be difficult to lay the groundwork for a financially secure future.*

Is your portfolio on a course that's destined to lead to a retirement income shortfall? Consider these strategies that can help improve your long-term outlook.

DURING YOUR WORKING YEARS

Determine an appropriate time frame for applying for Social Security benefits. If you plan to apply before your so-called "full retirement age," then you can expect to receive lower monthly benefits. Delaying your application could increase your benefits. Detailed information about your specific situation is available online from the Social Security Estimator. Contact Social Security at least three months before retirement to apply for benefits.

WHEN YOU REACH RETIREMENT

Make arrangements for your retirement account distribution strategies. If you participate in a workplace retirement plan, contact your employer's human resources office to learn what withdrawal options are available to you. Once you have that information handy, you'll need to decide whether to begin withdrawing money from your taxable accounts first or from tax-deferred accounts first.

Keep in mind that the IRS requires most retirement savers to begin taking withdrawals known as required minimum distributions ("RMDs") from employer-sponsored retirement accounts and traditional IRAs after reaching age 70½. If you don't take your RMDs, you could be forced to pay substantial tax penalties. RMD rules recently became less complex, but it's still important that you understand them and implement an appropriate distribution strategy.

ALL RETIREMENT INVESTORS

Review your postretirement medical insurance needs. For example, you might want to think about purchasing coverage to supplement Medicare benefits.

Your retirement security is very important. A smart first step to keeping your retirement strategies on track is to contact a qualified financial professional.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. To determine which investment(s) may be appropriate for you, consult your financial professional prior to investing.

This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issues with a qualified tax advisor.

No strategy assures success or protects against loss.

From the littlest details to the big plan, Salem Five Financial is ready to listen and help you develop a personal road map with the goal of securing your desired financial future.

Call **800.557.5004** to schedule a no-obligation consultation with a financial professional or visit **salemfive.com/retirement** to view our retirement resources, calculators and other financial planning tools.

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