



Strategic  
Planning  
Group, Inc.

The Relaxing Transition to Retirement Program™

# The Retirement Report™

The Monthly Newsletter For Those Who Are Approaching or Enjoying Retirement

## Even If You're Already Retired, It's Never Too Late To Design Your Retirement Roadmap™

What are the priorities in your life? If you're like most of our clients, you want health, happiness and a secure financial future for you and your family. That's what Henry and Lydia had always hoped for. After decades of working toward their retirement years, Henry retired three years ago at age 66 from his position as a mid-level sales manager for a New England manufacturing company. After suffering a heart attack on the job, Henry underwent triple by-pass surgery and permanently left his job much earlier than he expected.

Henry had always been the do-it-yourself type of person. If something needed to be done, he didn't call in the experts. He took on the task himself. He also saw to all his own financial dealings and even kept his financial accounts separate from those of Lydia's. Henry had no interest in investing his money, so he never consulted with a financial advisor for those services. Instead, he put money away in CDs and worked diligently at paying off his home mortgage. He was proud to say he owned his home free and clear.

### Upcoming Events

**SAVE THE DATE**  
3rd Annual Flotilla  
Georges Island  
Friday, July 29

### Surprising Tax Hits Can Be Avoided

During the three years following his retirement, Henry took life easy, still recovering from and adjusting to life after major heart surgery. Lydia, now 67, was still actively working 24 hours per week in an administrative position for a suburban hospital. Life was going along smoothly for both Henry and Lydia, until they took a close look at their tax return this past year. They were shocked to learn that they owed \$7,000 more than they expected. Given their particular circumstance, how could this be?

They lived modestly and watched their spending closely. They were at a loss to determine the cause of this situation, but did not know where to turn for advice.

Fortunately, Henry and Lydia had been receiving our monthly newsletter for many years, but had never had personal contact with us. At the same time they were trying to find the cause of their huge tax hit, they received one of our newsletters. After reading the newsletter story on how we helped another client, Henry and Lydia wasted no time and set

up an introductory meeting with us to see if there were any steps they could take to reduce the amount of taxes they needed to pay.

We were thrilled to finally meet two of our long-time newsletter subscribers and were eager to learn more about their situation. After meeting with them and reviewing their records, their financial picture came into focus and we could see a clear path to a much better situation for them.

First, we quickly learned that Henry and Lydia had always wanted to have a summer get-away home and had recently been looking at properties in New Hampshire in the \$80,000-\$120,000 range. They admitted that although Henry had a \$32,000 yearly pension and they owed nothing on their present home, they still had plenty of questions about financing additional property. How much could they

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## Saving Grace

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afford? What was the best way to do it? What scenario would have the fewest tax implications for them? How could they run two homes and still enjoy their present life-style? What if Lydia decided to reduce her hours at the hospital or not work at all? What if Henry's health deteriorated? Could they leave anything behind to their daughter and her family? Should they tap into their investments? They suddenly found themselves with more questions than answers.

### What You Don't Know Can Hurt You

We found that Henry and Lydia were in fairly good financial shape, but weren't taking advantage of the most efficient ways to use their money—especially their investments. Over the years, they had invested money in CDs and bonds. Lydia also had several blue chip stocks that she inherited years ago. Since they were withdrawing money from their IRAs to live on, and not spending the income from their other investments, they were grossly overpaying their taxes. Lydia also did not know that she was now eligible to collect social security and still continue to work her part-time job. She also was pleased to know that these benefits were retroactive.

When we finished the Retirement Roadmap™ for Henry and Lydia, we presented them a safe way to buy a summer home for \$300,000, not \$80,000-\$120,000 that they thought they could afford. Even better, we showed them how to save more than \$13,000 in taxes each year. Further, when Lydia decides to

stop working, their total federal income taxes will be under \$1,000 per year.

### Buying The "Right" Summer Home

Today, Henry and Lydia are looking forward to opening their new summer home in New Hampshire—a property they paid only \$220,000 for, despite their ability to buy a larger place for more money. Lydia still works, but plans on taking more time off in the summer. Henry's health is not what it used to be, but he is eager to begin fishing on his favorite lake in New Hampshire in a few months and take life easy. They both say that the security that their new Retirement Roadmap™ has brought them has also given them

a welcome sense of confidence, even during these trying economic times.

If you are nearing retirement or have already retired, please think about putting some thought into your financial situation as soon as possible. With the current turbulent economy, and all the confusing and ever-changing tax codes, it's more important than ever to keep pace with these changes to ensure your future is stable, secure and worry-free. Call us today to begin your journey to a financially secure and relaxing retirement. Please note that not all situations are the same and you will have different results. Different strategies and risks are associated with each Retirement Roadmap™.

## FREE Subscription

If you enjoy this report, please share it with any of your co-workers, friends, or relatives who are either approaching or already enjoying retirement. Please provide us with their name and address, and they'll begin receiving their free subscription each month. Remember our policy is that we will **NEVER CALL THEM.**

Submitted by: \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**If you would like to receive FREE Information on the following topics, mail or fax this form!**

- The Nine Biggest Mistakes People Make When Offered An Early Retirement Package, Or Laid Off From Their Employer, And How To Avoid Them!
- Our Graphic Overview With Audio CD Detailing *The Relaxing Transition to Retirement Program™*.

# The Future of Social Security

Social Security has been gaining a significant amount of attention lately due to the long-term financial problems that are waiting in the future. The pay as you go system with today's taxpayers paying for today's retiree's benefits will not be able to support the amount necessary to be distributed. People are living longer and therefore collecting benefits for a longer time frame. The baby boomers are nearing retirement and will begin to collect their benefits. According to the Social Security Administration, the worker-to-beneficiary ratio has fallen from 16.5-to-1 in 1950 to 3.3-to-1 today. They predict that within 40 years the ratio will drop to 2-to-1. At 2-to-1, there will not be enough workers paying into the system to support the benefits that need to be paid out.

Knowing that the system is not going to be able to sustain its current course, Congress and the President have the task of trying to fix the system. If it isn't changed, payroll taxes will have to increase and younger workers benefits will have to be cut. Another alternative is to fund future benefits through personal savings accounts or direct investments of the trust funds. The personal accounts would be entirely voluntary and the money would be spread over a mix of bond and stock funds that would have the opportunity to earn a higher rate of return than what the current system can provide. The savings would provide a nest egg to supplement the workers social security check. Another benefit from the personal accounts is that the money can be handed down to the workers family at death so any amount remaining does not go unused.

President Bush has set the following guidelines in an attempt to keep Social Security alive:

- Modernization must not change Social Security benefits for retirees or near-term retirees. (age 55 and over)
- The entire Social Security surplus must be dedicated only to Social Security.
- Social Security payroll taxes must not increase.
- The government must not invest Social Security funds in the stock market.
- Modernization must preserve Social Security's disability and survivor insurance programs.
- Modernization must include individually controlled, voluntary personal retirement accounts.

## Referral Reward Program

We appreciate the opportunity to help your co-workers, friends, or relatives retire when they want, on the income they want, while taking the least amount of risk necessary, and paying the smallest amount of taxes legally possible.

In order to help them, we need your help. For every co-worker, friend, or relative you refer to us who joins The Relaxing Transition to Retirement Program™, you will receive a \$100 gift certificate. (Please see the list of certificates for you to choose from.)

A great referral for us is anyone you know who is approaching retirement, or already retired, especially if they have received an

early retirement offer from their employer. When you pass along their name to us, **WE NEVER CALL THEM.** Instead, a Strategic Planning Group, Inc. information package is sent with information about The Relaxing Transition To Retirement Program™.

Each month after that, they'll receive a free subscription to The Retirement Report™. When the time is right for them, hopefully they will feel comfortable enough to call us.

A referral is the best compliment you can give us. We truly appreciate the opportunity to help anyone you know make their transition to retirement as relaxing as possible.

### Restaurants:

Abe & Louie's Steak House  
Smith & Wollensky  
Capital Grille  
Coach Grille  
Figs  
Luciano's Restaurant

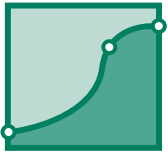
### Golf Courses:

Blackstone National Golf Club  
Captain's Golf Course  
Pine Hills Golf Club  
Stow Acres

Simon Malls  
Elizabeth Grady

### LEGAL DISCLAIMER

This information is solely advisory and should not be substituted for legal, financial, or tax advice. Any and all financial decisions and actions must be done through the advice and counsel of a qualified attorney, financial advisor, and/or CPA! We cannot be held responsible for actions you may take without proper financial, legal, or tax advice.



**Strategic  
Planning  
Group, Inc.**

56 Kearney Road  
Needham, MA 02494  
(781) 444-9010 phone  
(781) 444-8876 fax  
david@RelaxingRetirement.com  
**www.RelaxingRetirement.com**

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*The Relaxing Transition to Retirement Program™*



HENRY... YOU'VE CAUGHT THAT FISH FOUR TIMES TODAY!  
YOUR LUNCH IS READY AND YOUR TAX REBATE CHECK  
FROM THE IRS FOR \$7000 IS HERE.

**Even If You're Already Retired, It's Never  
Too Late To Design Your Retirement  
Roadmap™**

**Please Open And Read  
Immediately!**

**We'd Like To Thank The Following People Who Asked Us To Send  
Information on *The Relaxing Transition To Retirement Program™*  
to a Co-Worker, Friend, or Relative Last Month.**

**Frank & Christine Arren**

**Mark McEwen**

**Ned Mahoney**

**Greg Smith**

**Charles & Norma Kamar**

**Chris Bourdon**

**Robert Tennant, Esq**

**Chuck Swartz, CPA**

**Brendan Gallagher**

**Don & Brenda Arduino**

***Please see page 3 for details . . .***



David Rourke is the principal of The Strategic Planning Group, Inc. and director of *The Relaxing Transition to Retirement Program™*. Developed over the past twelve years, *The Relaxing Transition to Retirement Program™* has helped hundreds of people in New England who were at the Employment Dependency Crossroad™ develop and maintain the confidence they needed to make the transition to retirement without worrying about work or money. For Clients who choose to participate in The Investment Evaluation and Realignment Program™, David Rourke also offers securities as Registered Representatives of QA3 Financial Corp. Member NASD, SIPC, One Valmont Plaza, 4th Floor, Omaha, NE 68154, Tel: 888-337-4094.