

NEWS You Can Use

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High Healthcare Costs Now Top List of American Financial Concerns.

A recent KFF Health Tracking Poll states concern about healthcare bills is now the primary financial issue for Americans heading into retirement. KFF reports that 74% of the over 1,300 survey respondents cite

access to quality healthcare, even with insurance. Others have seen their disposable income dissipate due to runaway healthcare costs.

The Centers for Medicare and Medicare Services (CMS), has revealed that Retail prescription drugs account for nearly 10% of national health



unexpected medical bills as their primary financial concern, and 73% said they worry about increasing healthcare service costs more than everyday expenses such as fuel, utilities, food, or housing.

expenditures, not including drugs administered in a clinic or doctor's office. If these were factored in, as a report from the IQVIA Institute suggests, drug costs would actually represent a staggering 13.4 percent of total U.S. health spending.

Millions of Americans lack health insurance due to dramatic premium increases over the last several years. Millions more do not have

kff.org/health-costs/issue-brief/americans-challenges-with-health-care-costs/

Passwords you Should Never Use



Protecting yourself from data and identity theft comes down to one choice: passwords.

Steer clear of easy personal details like birthdates and street addresses, as well as the following:

Password is the number-one and most common bad choice. Also avoid variations like **P@ssw0rd!** - these may be easy to remember, but they're the first options hackers will try.

Easy-to-guess passwords often take root because they're simple to remember. Steer clear of consecutive numbers like **12345** or **98765** as well as **QWERTY** or other letter sequences.

Best Practices: Consider a passphrase that you will remember and then substitute letters, characters, and abbreviations for parts of it.

For example, if your first pet was a bull mastiff named Bob who died in 1973, translate that to a unique password like **M@stiff!b0bRIP73**.

sba.thehartford.com/managing-risk/7-passwords-you-should-never-use

Joint and Survivor Annuities Explained

The "joint and survivor" annuity is one asset used by advisors to help increase peace of mind for married couples 65 and older.

if they pass away first. In certain circumstances, joint and survivor annuities can have significant tax advantages as well.



A joint and survivor annuity is a customizable product that can be appropriate for older couples wanting to guarantee a monthly income stream that continues even if one spouse dies. A joint and survivor annuity is the opposite of what's known as a "single life" annuity.

When you purchase a single life annuity, the payments end when an annuitant dies. Seniors often choose joint and survivor annuities because they want their spouse to have a guaranteed source of income

Joint and survivor annuity structures are not for everyone. They are generally not the best choice for younger couples, for instance.

A qualified retirement planner or other financial professional who understands these products can help you precisely calculate how much your payouts will be and break down any associated fees attached to the annuity.

investopedia.com/terms/j/jointandsurvivorannuity.asp

Tips to Cut Your Tax Bill



No one wants to pay more than what's necessary to Uncle Sam. Below are tips to help you cut your tax bill over the next year:

Maximize Your IRA

Anyone can set up an IRA and if you contribute the maximum amount of \$7000 per year, you get to deduct this amount from your taxes.

Maximize your 401(k)

Contribute as much as you can to your workplace 401(k). The more you contribute, the lower your tax bill will be. The maximum contribution for 2024 is \$23,000.

Contribute to an HSA

Max out your Health Savings Account (HSA) contributions each year (\$4150 for individuals and \$8300 for families) for pre-tax savings that can substantially lower your overall tax bill.

<https://www.irs.gov/ht/newsroom/401k-limit-increases-to-23000-for-2024-ira-limit-rises-to-7000>

Federal Open Market Committee Shifts Focus to Include Jobs Along With Inflation

The Federal Open Market Committee voted unanimously on Wednesday, July 31st to leave the benchmark rate unchanged in the target range of 5.25%-5.5%, a more than two-decade high, for their eighth straight meeting.

Their statement language has shifted attention to the risks to both sides of its dual mandate of price stability and maximum sustainable employment. Chair Jerome Powell told reporters at a press conference following a two-day meeting on monetary policy that the time for a rate cut is approaching, and if the data meets expectations, a rate reduction could be on the table in September.

While a majority of economists predicted the September meeting for the Fed's first interest rate cut since 2020, pointing to inflation that is easing faster than expected. But Powell stressed that the decision will depend on forthcoming inflation data, and he sidestepped a question on

whether there might be additional rate cuts in 2024.

This focal shift comes in light of the nation's labor market showing signs of fading. Job growth has slowed to an average 177,000 a month for the past three months, compared with a three-month average of 275,000 a year ago.

The Fed's dual mandate is to keep prices stable and to ensure maximum employment.

The federal funds rate is a benchmark for deposit account annual percentage yields (APYs), so earnings on savings accounts, checking accounts, certificates of deposit (CDs) and money market accounts



move in the same direction as the benchmark set by the FED.

[cbsnews.com/news/federal-reserve-fed-meeting-interest-rate-decision-july-2024-september-cut](https://www.cbsnews.com/news/federal-reserve-fed-meeting-interest-rate-decision-july-2024-september-cut)

2024 YouGov Retirement Survey: Readiness and Expectations

It Happened In ...



August 3rd 1905 – Maggie Kuhn was born in Buffalo, New York. She founded the Gray Panthers organization to fight age discrimination after being forced into retirement at age 65 and succeeded in the banning of mandatory retirement in most professions.

August 7th 1990 – Just five days after the Iraqi invasion of Kuwait, President George H.W. Bush ordered Desert Shield, a massive military buildup to prevent further Iraqi advances.

August 14th 1945 – V-J Day: President Truman announced that Japan had surrendered to the Allies.

August 31st 1997 – Britain's Princess Diana died at age 36 from massive internal injuries suffered in a high-speed car crash, reportedly after being pursued by photographers.

<http://www.historyplace.com/specials/calendar/august.htm>

Survey data from more than 1,500 respondents via YouGov Profiles reveal retirement preparedness and outlooks of US citizens across generations.

In general, over a third of Americans surveyed (35%) are not currently saving toward their retirement. While 59% of Americans would like to retire before 65, only 40% believe they will be able to do so. In addition, 40% of Americans are not confident about their financial security in retirement, compared to 30% who are.

Those who are confident are more likely work with financial advisors and own savings and investment products.

The majority of Americans (62%) believe they will rely on social security or state benefits, 36% have built up

independent savings for their retirement, and 28% of respondents said they believe they will work part time to supplement their income. Of those

surveyed, 28% believe they will have independent

investments outside of a pension to rely on. While 17% said they “Don’t know” what their main source of income will be, 16% are counting on a company pension.

Generationally, 48% of Gen X and 47% Millennials are not confident about their financial security when they retire, compared to 33% of Boomers and 30% of Gen Z. Women are 10% less confident on average about their financial security in retirement than men.

Retirement finance confidence increases with education level. High school graduates at 25% retirement confidence compare to 49% confidence in those with postgraduate degrees.



business.yougov.com/content/50172-us-retirement-report-2024