

SONORAN RETIREMENT ADVISOR



March 2025

*A comfort zone is a beautiful place, but
nothing ever grows there.*

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Hi,

Marilyn and I will be out of the office for a little over two weeks during March for our annual leader's conference. In our absence, you can contact Amanda De Luca at 520-668-9662 or amandadeluca@ffig.com to schedule an appointment or RSVP for an upcoming seminar.

Trudy Mercante will also be able to help with policy-related questions during the time we are away. Trudy can be reached at 602-365-0235 or at trudymercante@ffig.com.

We will make sure we get back to you on the 24th of March when we are back in our office.

My feature story will discuss a major change going into effect with Social Security that will affect people with federal and foreign pensions.

Just this past month I have had two clients that reported to me that, to add insult to their pain, they had been robbed while attending their family member's funeral. I will talk about this in my second story.

Stay safe and healthy.

Your Tucson Team



From Medicare to Retirement Planning. We provide the tools, and expertise to protect your retirement and lifestyle.

FEATURE STORY

Security Fairness Act Increases Benefits for Millions

Under the Social Security Fairness Act signed by President Biden on January 5, 2025, almost 3 million Americans will receive a boost to their Social Security benefits. This bill, which had bipartisan support, restores full Social Security benefits to some public-sector employees, including teachers, law enforcement officers, firefighters, and others who have been affected by two provisions of current federal law - the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP).

Although the increased benefit amount for individuals will vary, the Congressional Budget Office (CBO) has estimated that eliminating the GPO will increase monthly benefits for 380,000 impacted spouses by \$700 on average and by \$1,190 on average for 390,000 impacted surviving spouses. Eliminating the WEP will increase monthly benefits for approximately 2.1 million impacted individuals by \$360 on average.

Those affected will be entitled to higher benefits starting in January 2025. Individuals who received benefits in 2024 will also be entitled to back payments equal to the difference between what they received in 2024 and what they would have received without a GPO or WEP reduction.

Some background

Both the GPO and the WEP were originally intended to equalize benefits for those who receive Social

Security benefits based on a job where they contributed to Social Security through payroll taxes (covered employment) and a pension from a job where Social Security payroll taxes were not withheld (noncovered employment). For decades, advocates for reform have been trying to change or repeal these provisions, arguing that they are unfair and cause financial hardship.

Enacted in 1977, the GPO has affected spouses and surviving spouses who receive pensions from a federal, state, or local government or non-U.S. employer based on noncovered employment and who also qualify for Social Security benefits based on their spouses' work histories in covered employment. The GPO reduces Social Security spousal or widow(er) benefits by two-thirds of the amount of the pension. The reduction was intended to help ensure that the spousal and widow(er) benefits of those with covered or noncovered lifetime earnings would be about equal.

Enacted in 1983, the WEP has affected individuals who receive Social Security retirement or disability benefits based on their own covered employment (if fewer than 30 years) and a pension from noncovered employment. The Social Security benefit formula is progressive, meaning it replaces a greater share of career-average earnings for lower-paid workers than for higher-paid workers. The WEP was passed so that workers receiving pensions from noncovered employment would not receive higher benefits because the Social Security benefit formula did not count their noncovered earnings, making it appear as if they were lower-paid workers. A modified formula was implemented to figure benefits for those affected

by the WEP, resulting in lower monthly Social Security benefits; the reduction was limited to half of the amount of the pension.

Impact on Social Security's future

While advocates of the bill are cheering, opponents of the bill are concerned that repealing the GPO and the WEP will worsen Social Security's financial outlook. Social Security is primarily funded by payroll taxes from today's workers, along with income taxes on Social Security benefits, which go into interest-bearing trust funds. But due to lower birthrates and other factors, fewer workers are paying into the system at a time when more workers are retiring and living longer. As a result, these reserve trust fund assets are now supplementing payroll taxes and other income to meet scheduled benefit payments, a trend that is expected to continue.

Each year, the Trustees of the Social Security and Medicare trust funds provide detailed reports to Congress that track the programs' current financial condition and projected financial outlook. These reports have warned for years that trust fund reserves would be depleted in the not-too-distant future. The most recent reports, released in May 2024, estimated that the combined Old-Age, Survivors, and Disability Insurance (OASDI) trust fund reserves would be depleted in 2035, at which time incoming revenue from payroll and income taxes would only be enough to pay 83% of scheduled benefits. According to a more recent CBO cost estimate, the repeal of the GPO and the WEP could cause this depletion date to be pushed forward about six months, potentially leading to a substantial reduction in Social Security benefits for all beneficiaries even sooner than expected, unless

Congress acts to address the impending trust fund shortfall.

What happens next?

If you're among those affected, be aware that implementing benefit changes may take some time, according to a message from the Social Security Administration:

"At this time, the Social Security Administration is evaluating the law and how to implement it. We will provide more information on our website, ssa.gov as soon as it is available. If you are already entitled, you do not need to take any action at this time except to verify that we have your current mailing address and direct deposit information. If you are receiving a public pension and are now interested in filing for benefits, you may file online at ssa.gov or schedule an appointment."

The SSA notes that you can verify your current mailing address and direct deposit information online without calling or visiting a Social Security office by signing in to a personal my Social Security account or creating one on the SSA website.



Clients of the Month

We appreciate your referrals so much

We are happy and grateful for each referral. The only things your friends have to lose are high premiums and that sinking feeling that they just lost money when the market dips again. I'm happy to offer a gift card for every referral that leads to an appointment.

Bob and Linda H. referred their friend **Michael M.** Thank you so much!

TUSD referred **Clara R.** and **Josephine Z.** Thank you so much!

Pam F. referred her friend **David T.** Thank you so much!

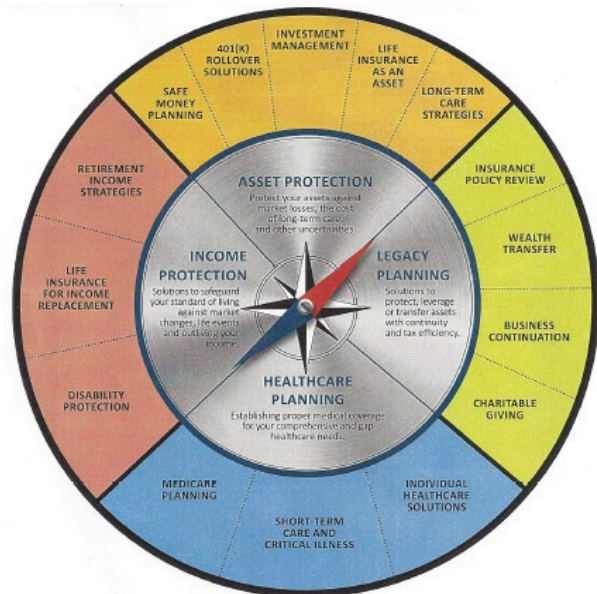
Sonny M. referred his friend **John H.** Thank you so much!

Anna B. referred her friend **Rebeca B.** Thank you so much!

Patricia A. referred her friend **Jill B.** Thank you so much!

Nancy at Bayada referred **Deborah E.** Thank you so much!

The Retirement Planning Compass



Home Robberies During Funerals: How to Protect Your Home

Burglars are targeting homes of deceased people and their grieving families who they know are at the funeral. These “Obituary Burglars” read about funeral service times in online obituaries, social media posts, newspaper obituaries, or wherever people share the information. I personally know 2 people that this has happened to in the last month.

For example, just a few days ago the police arrested a Massachusetts man for multiple robberies of the homes of grieving widows attending their husbands’ funerals. There was even a robbery last month where a woman robbed her mother’s home during her funeral. But this isn’t just something recently happening; these kinds of burglaries have been happening for years.

This isn't something anyone grieving should have to think about, but it's becoming more common. So how can families protect their homes and valuables from robberies during funerals?

Let's discuss some tips for protecting your home and possessions.

Tip #1: Have Someone Watch Your Home

Have a trusted neighbor keep an eye on your home while you're at the funeral. You may want to tell multiple neighbors, so you have multiple people watching your home in case any of them are busy during the funeral time. You also can ask the police if they'll do extra patrols around your home during the funeral.

If you're going out of town for the funeral, you may even want to ask a trusted neighbor or friend to stay at your home while you're away. You should give them your spare key; do not leave it hidden outside your home somewhere people can easily find, such as under a doormat or in the mailbox. Also do not leave a note on your door, as this makes it obvious, you're not home.

Tip #2: Create the Illusion Someone is Home

You should leave some lights on or have lights on an automatic timer to create the illusion that someone is home. If you're only going to be gone for a brief period, you also can leave your TV on. You also can ask a neighbor to collect your mail or any packages you may receive while you're gone.

Tip #3: Have Secure Locks

Always lock your doors, including your garage door, and make sure they work properly and aren't easy for someone to break into. Lock your windows and lay pieces of wood or metal along the bottom track of the windows so they can't be opened from the outside. Make sure to shut your drapes or curtains so people can't easily see inside your home. It also helps to have a home security system with an alarm or even cameras for you to monitor.

Tip #4: Lock Away Your Valuables

Lock away your valuables such as money, jewelry, electronic devices, important documents, and other significant items in a safe. If you have a purse, either take it with you or store it inside the safe while you're away. Or even better, store them in a bank vault or security deposit box so they aren't in your home at all.

Another issue to be aware of is social media (SM). Many robbers also monitor social media sites, such as Facebook, to see when people may be away from home. People will post something like "leaving for our 2-week vacation in Hawaii" so you are letting potential robbers that they will have free access to your home for two weeks. Ways to protect against this are:

1. Post vacation pics and information when you get home.
2. Set your SM privacy settings to friends and family only so strangers cannot see your posts.
3. Use strong, unique passwords for each account, enable two-factor authentication.
4. Avoid sharing too many personal details.
5. Disable geolocation data and be cautious about clicking suspicious links or sharing information on public devices.

UPCOMING MEDICARE WORKSHOPS

***For all workshops please email Marilyn at:
marilyndeluca@ffig.com or call her at
520-668-9662 to Reserve your free seat.***

Tuesday March 4th - 11:00 AM

FUTURITY FIRST - TUCSON OFFICE:

4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday March 4th - 6:00 PM

FUTURITY FIRST - TUCSON OFFICE:

4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday April 1st - 11:00 AM

**MARRIOTT COURTYARD TUCSON
AIRPORT:**

2505 E Executive Dr, Tucson, AZ 85756

Tuesday April 1st - 6:00 PM

**MARRIOTT COURTYARD TUCSON
AIRPORT:**

2505 E Executive Dr, Tucson, AZ 85756

Tuesday April 15th - 11:00 AM

FUTURITY FIRST - TUCSON OFFICE:

4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday April 15th - 6:00 PM

FUTURITY FIRST - TUCSON OFFICE:

4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday April 29th - 11:00 AM

HILTON EL CONQUISTADOR:

10000 N Oracle Rd, Tucson, AZ 85704

Tuesday April 29th - 6:00 PM

HILTON EL CONQUISTADOR:

10000 N Oracle Rd, Tucson, AZ 85704

Tuesday May 13th - 11:00 AM

FUTURITY FIRST - TUCSON OFFICE:

4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday May 13th - 6:00 PM

FUTURITY FIRST - TUCSON OFFICE:

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85711

Answers to your important questions

- What's really working on Wall Street and how can I avoid what's not?
- What does volatility mean to my portfolio?
- How do I maintain my income no matter what happens in the market?
- How can I avoid the pitfalls of variable annuities?
- What isn't my broker telling me about mutual funds?
- How to insulate your 401(k), 403(b) from devastating market corrections?
- How you can reduce management fees on your portfolio?
- How can I make sure I never run out of money without putting all of my money into an annuity?

Futurity First
4400 E Broadway Blvd, Suite 712
Tucson, AZ 85711
www.futurityfirstsouthernaz.com
520-668-9662

Retirement Income Planning Workshop



A 60-minute educational program preparing you with the financial basics of retirement planning.

Offered at our office
for your convenience

4400 E Broadway Blvd, Suite 712
Tucson, AZ 85711

Tuesday, January 14th
Tuesday, February 11th
Tuesday, March 25th
Tuesday, April 8th
Tuesday, May 20th
Tuesday, June 10th

All workshops begin at either 12:00 pm or 6:00 pm

Seating is limited.
Register today for your free seats!

520-668-9662



Build your retirement plan based on certainty and guarantees, not theories and guesswork.



Finally there is a planning model that is easy to understand and provides low cost, high yield, consistent income. This process avoids losses, reduces fees and puts more money where it belongs... in your pocket. It is so simple that you may say, "Why didn't I think of it myself."

This classroom course is focused on empowering you to make fact-based financial decisions. If you are wondering why the markets do what they do, seemingly without any rhyme or reason, this course is for you. Learn how to recognize the dangers in your financial plan and how to side-step their negative effects on your portfolio. Gain the confidence needed to move past daily market performance concerns and interest rates and enjoy retirement.

Course Outline

Part 1

- Our process
- What concerns retirees the most

Part 2

- Today's retirement landscape
- Key retirement ages and decisions
- Income gap

Part 3

- Risks affecting your portfolio

Part 4

- Sources of guaranteed income

Part 5

- Elements of a retirement income plan
- Make your money last a lifetime (or two)
- Inflation fighting tools
- How a simple plan can protect you from losing money or income in any market condition