FIRST WEALTH
FINANCIAL GROUP LLP
Building Wealth & Relationships

Don't wait and be too late
If you have a company pension plan, we recommend requesting your pension estimates as early as 10 years prior to your anticipated retirement. Why? Because having that estimate early on will give you practical options that you may not have if you wait.

We suggest reviewing your pension options with one of our knowledgeable advisors who is experienced with pension planning. Our goal is to help you increase your number of practical options and maximize the income you receive throughout your retirement.

Maximizing your pension dollars
Early planning can be beneficial in determining the best way to maximize your pension. Depending on the type of pension you have, the survivor benefits, etc., it may be possible to take a significant distribution while you and your spouse are alive and still leave the largest monthly income to your spouse when you pass. Another benefit to this early planning is the potential opportunity for you to leave some of your pension to your children as a legacy. We can prepare a pension maximization analysis to answer these questions and more as you begin to plan for the future.

Should you take a lump sum or monthly income? Why a pension analysis is important.
Many pension plans have always offered a lump sum pension option, but today some employees are finding their company provides a lump sum option for the first time. Other employees who are receiving their pensions have the opportunity to change from a monthly income to a lump sum.

A lump sum pension can be a great option for the employee, or it can be a great option for the plan. How can you tell if taking a lump sum is in your best interest? Without a proper pension analysis, you may make an irreversible wrong decision.

We built a pension analysis tool to help clients compare distribution rates, interest rates, and even take into consideration morally. The tool provides clients with a full picture and a deep understanding of their pension choices. Sometimes the results show the best option to be monthly income instead of a lump sum. Our analytical approach is different from many advisors who encourage all clients to take a lump sum—even if that isn't the best choice for the client. Through our pension analysis tool, we can also tell you if it makes sense to retire and defer your pension withdrawal.

How your pension may offset Social Security
If you work for a railroad or have worked as a state or municipal employee, your pension

may offset your Social Security. For example, the pension could be $4000 a month and the Social Security estimate could be $600 a month, earned prior to the railroad pension. Retirees could anticipate the two added together for $4,600 a month. In reality the railroad pension offsets the Social Security and the total is $4000 as if there was no Social Security. We find that this information often takes clients by surprise. The solution is to verify pension benefits for yourself and then determine how they may affect your spouse during your retirement and after your passing.

1210 19th Ave. NW • Clinton, IA 52732-2703
Bus. 563 242-1885 • Toll Free 800 598-2141 • Fax 563 244-4763
Visit our website at: www.firstwealthfinancialgroup.com