

# PROTECTING RETIREES

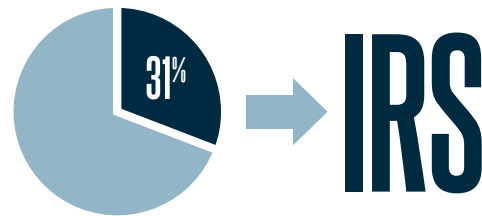


## DANGER TAKES MANY FORMS

**'NOW SWEETIE, YOU HAVE TO WAIT AN HOUR AFTER EATING BEFORE YOU SWIM.'** Most of us have heard this piece of parental wisdom. It has been passed down from generation to generation. Oddly, no cases of drowning caused by a full stomach have ever been recorded. In fact, neither the American Academy of Pediatrics nor the Red Cross offer any warnings related to swimming after eating.<sup>1</sup> Oh well, mother knows best...right? Plus a little precaution never hurt anybody (*aside from losing countless hours in the pool*). Consider then these **statistics on dangers in retirement** because whether advice is coming from a parent or a financial planner, it is nice to know that there are numbers to back up the claim.

### TAXATION

**31.38% of spending in retirement** goes to taxes for household incomes greater than \$100,000.<sup>2</sup>



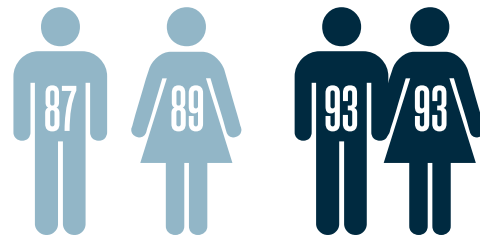
### HEALTH COSTS

In 2014, the median annual cost for a nursing home stay was **\$87,600**. In 30 years, the same stay will cost nearly **\$319,000**.<sup>3</sup>



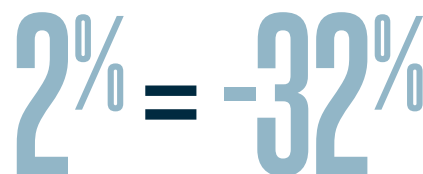
### LONGEVITY

The average life expectancy for a 65 year old man and woman in the US is 87 years and 89 years respectively. However, there is a **50% chance that at least one member of a couple will survive until age 93**.<sup>4</sup>



### INFLATION

A little inflation can have a big impact. Even at an inflation rate of 2%, **in only 15 year's time, 32% of today's purchasing power will have been lost**.<sup>5</sup>



### MARKET RISK

History shows the **probability of experiencing a bear market** (defined as a 20% drop in stock values) is **53%** in any of the first 5 years of retirement.<sup>6</sup>



**SOURCES:**

- 1 Kohnle, Diana; True or False: Wait a Half-hour After Lunch Before Going Back in the Water; health.cvs.com
- 2 Lincoln Financial; The Underrated Impact of Taxes on Retirement; [www.lfg.com/lfg/DOCS/pdf/rna/LFG-GEN-10-0004\\_LFG-TAX-WPR001\\_Z02.pdf](http://www.lfg.com/lfg/DOCS/pdf/rna/LFG-GEN-10-0004_LFG-TAX-WPR001_Z02.pdf)
- 3 The American Council of Life Insurers; Long Term Care Insurance pdf
- 4 Society of Actuaries; 2008 Valuation Basic Tables; <https://www.soa.org/research/experience-study/ind-life/valuation/2008-vbt-report-tables.aspx#sthash.Vw8Kb77B.dpbs>
- 5 Lincoln Financial Group; Lincoln Wealth Protection pdf
- 6 Wells Fargo; Market Volatility and Your Retirement: Can Timing Alter Your Plans?; <http://content.sharefc.com/sites/client/wells/wfs/article.vm?siteContent=8273&topic=6067>

**DISCLOSURES:**

Past performance does not guarantee future results.



Securities offered through ValMark Securities, Inc. Member FINRA, SIPC  
Advisory Services offered through ValMark Advisers, Inc. A SEC registered investment advisor  
130 Springside Drive, Akron, OH 44333 800.765.5201