

The Bulletin



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From the Desk

Must-Know Retirement Deadlines

When can you access your savings without a penalty? When should you enroll in Medicare? At what age is it best to collect Social Security? In the years leading up to retirement, there are a number of key milestones and deadlines to consider. Without careful attention, it's easy to miss these checkpoints and the consequences can be severe. Let's delve into eight crucial moments to help you stay on track.

Age 50: Time to Play Catch-Up

Once you turn 50, the IRS may permit you to make yearly "catch-up contributions." These are additional amounts you can contribute to your 401(k)s and IRAs beyond the standard annual limits. This option is designed to help you save more for retirement. Unfortunately, not enough pre-retirees take advantage of this. In 2023, you're allowed to contribute \$22,500 into a 401(k) and \$15,500 into a SIMPLE 401(k). With the catch-up option, you can add an additional \$7,500 to the 401(k) and \$3,500 to the SIMPLE 401(k)¹.

Age 55: Know the Rule of 55

Typically, making an early withdrawal from a workplace retirement plan can result in a penalty. But there are exceptions to this rule, and the rule of 55 is one such example. If you turn 55 during the calendar year you lose or leave your job, you may be eligible to begin taking distributions from your 401(k) without paying a penalty. However, you must still pay taxes on your withdrawals².

Age 59 ½: Say Goodbye to the Early Withdrawal Penalty

Remember when you used to celebrate your half-birthday? While those days are likely behind you, turning 59½ might be a milestone worth acknowledging. The reason? After turning 59½, you can generally take out money from employer-sponsored retirement plans and IRAs without the 10% early withdrawal penalty. However, regular income tax may still apply to these withdrawals. There are some exceptions to this rule, so make sure to discuss your situation with your tax advisor³.

Age 62: You're Eligible to Start Claiming Social Security

At 62, you're eligible to start receiving Social Security. But if you opt for benefits before reaching your full retirement age (the age where you can claim 100% of your benefits), your monthly amount can be permanently reduced. It's advisable to consult with a financial professional to determine the best age for you to begin collecting Social Security benefits.

Age 65: It's Time for Medicare Enrollment

At this age, the majority of Americans qualify for Medicare, which covers a significant portion of doctor visits, hospital care, and other medical services. However, Medicare is divided into various parts – A, B, C, and D. Navigating the enrollment and benefits for each part can be intricate, so consider seeking professional guidance.

Age 66-67: Full Retirement Age

You can start receiving your Social Security retirement benefits as early as age 62. However, full retirement age (FRA) is the date when you can receive the full standard benefit amount. This number depends on the year you were born.⁴ If you were born between 1943 and 1954, your full retirement age is 66. If you were born between 1955 and 1959, your full retirement age is 66 plus two months for each year after 1954. Still confused? Visit the [Social Security Administration's website](#) for more information.

Age 70: Maximum Social Security Benefit Unlocked

By postponing the start of your Social Security benefits beyond your FRA and up to age 70, you accumulate delayed retirement credits. These credits boost your monthly benefit amount. So, if you hold off until age 70, you'll obtain the highest possible monthly benefit. After age 70, there's no financial advantage to delaying your claim any longer.

Age 73: Begin Required Minimum Distributions (RMDs)

One of the big reasons people contribute to 401(k)s during their working years is to lessen their tax burden. However, you're not allowed to keep your savings growing tax-free indefinitely. The government eventually wants to tax it. You need to start making taxable withdrawals from your account by April 1 of the year following the age set for required minimum distributions (RMDs). Failing to do so could result in a penalty of up to 25% of the amount you should have withdrawn.⁵ Navigating the path to retirement isn't just about marking off the years; it's about recognizing and preparing for significant moments along the way. If you know anyone between the ages of 50 and 73, consider sharing this information with them; it might be just the nudge they need.

This information is an overview and should not be considered as specific guidance or recommendations for any individual or business.

In the Spotlight



Introducing Callie Tesche

Will and Shannon Tesche welcomed Callie to the world on October 11, 2023 at 10:22 pm. She weighs 7 pounds 10 ounces and is 21 inches long. This new family of 3 is doing great!



The Wagon Family on the top floor of the University of Iowa Children's Hospital where patients go to watch the Hawkeyes play. Photo taken at the grand opening of the hospital in 2017.

The Legacy of College Football

By Elizabeth Wagon

College football is a time-honored American tradition passed down from one generation to the next. We typically begin our football journey by rooting for the college teams of our parents, followed by our own college team or teams that influence us during pivotal times in our lives, and finally, we adopt the teams of our children and grandchildren.

Sure, college football may not have the popstar excitement of professional football, but nothing compares to entering the stadium of your alma mater and hearing the first few notes of the fight song. There is something nostalgic and endearing about college football as the teams we celebrate grow in number with our new life phases. Each college team bringing new traditions into our lives, bonding us forever.

I vividly remember watching Auburn play during my college days while chanting "War Eagle!" Later after relocating to Iowa City for my husband to oversee the construction of the new University of Iowa Children's Hospital, I could not help but root for the Hawkeyes! Observing the players wave from the field to the young patients as they watched the game from the top floor of the hospital for the first time was such a joy. The "Hawkeye Wave" is one of the most precious traditions I have ever witnessed. On a different note, attending the traditional Florida-Georgia game the year we moved to Jacksonville was a party like no other. It has most definitely earned its nickname of "The World's Largest Outdoor Cocktail Party." At this event, southern hospitality is evident, regardless of which team you root for.

As I coach my daughter through completing her college applications this fall, I cannot help but wonder to which team I will be pledging my allegiance during the next four years of her life. Whether it be the Naval Academy, University of Michigan, or University of Florida, a year from now, a fine institution will become her new home, and the time she spends cheering on her college football team will be something she remembers forever. She will wear her team's logo proudly throughout her life and chant the fight song as she endures the best and worst days of her future.

Wherever my daughter decides to spend her college career, I will adopt another team to love. The real value doesn't come from the team we root for, but from sharing the team traditions and game experiences with the people we love. I cannot wait to visit her campus for the first time and purchase six jerseys so we can suit up as a family and root for the home team!

ARTICLES



Unlock the Full Potential of Profit Sharing

Determining the ideal profit-sharing design for your organization.

Profit sharing is a powerful tool that goes beyond mere employee motivation. As businesses seek ways to inspire their workforce, and employees look for recognition and meaningful work, profit sharing emerges as a compelling business strategy that should not be underestimated.

[Unlock Your Ideal Profit Sharing](#)



Assembling Your Wealth Planning Team

Whatever you envision for your wealth, it's important to have professionals around you who share and support that vision.

With all you've put into building your wealth, you deserve to get the most for its future. That starts with a team. Working with experienced financial, tax and legal professionals can help you translate your goals into a living plan that can grow along with your needs and support your vision well into the future.

[Assemble Your Team](#)

Market Recap

	12/31/22 Close	9/29/23* Close	Change Year to Date	% Gain/Loss Year to Date
DJIA	33,147.25	33,507.50	+360.25	+1.09%
NASDAQ	10,466.48	13,219.32	+2,752.84	+26.30%
S&P 500	3,839.50	4,288.05	+448.55	+11.68%
MSCI EAFE	1,943.93	2,075.85	+131.92	+6.79%
RUSSELL 2000	1,761.25	1,785.10	+23.85	+1.35%
BLOOMBERG AGGREGATE BOND	2,048.73	2,024.02	-24.71	-1.21%

*Performance reflects index values as of market close on Sept. 29, 2023.

As heightened inflation has lingered, the Federal Reserve diminished hopes of 2024 interest rate cuts and economic data suggests a mild recession in the first half of 2024.

Throughout the run of the Federal Reserve's (Fed) inflation-fighting, rate-raising program, the equity market has shown uncommon enthusiasm supported by a growing economy, a strong labor market and healthy consumer spending. Contrary to the expected way of these things, inflation continued to cool even as the economy and the markets remained hot.

[See Full Market Update](#)



[Are You Prepared For A 30 Year Retirement?](#)



[Protect Yourself From AI Fraud](#)

Featured Cocktails

To celebrate college football season, we are featuring *two* collegiate craft cocktails. Feel free to experiment by creating your own cocktails with ingredients and colors that reflect your favorite

college teams.



Michigan Wolverinetini

Ingredients & Directions:

- 3 oz Blue Curacao
- 2 oz Pineapple Juice
- 1 oz Vodka
- Pineapple slice

Add the first three ingredients to a shaker, and top with ice. Shake thoroughly and strain into a martini glass. Garnish with a slice of pineapple.

Florida Gatorita

Ingredients & Directions:

- 1 cup Blue Gatorade
- 1/2 frozen limeade concentrate
- 1/2 cup tequila
- 1/4 cup Blue Curacao
- Ice
- Orange Slice



Add the first five ingredients to a blender. Blend until smooth and pour into a margarita glass. Garnish with an orange slice.

Let's Connect!



Caring Relationships Begin Here

[Let's Have a Conversation](#)

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