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For more information about L&M's services or to schedule an annual review, just fill out the enclosed, prepaid reply card.



L&M Profile



L&M "We Show Up!"

L&M Financial representatives have been providing benefit programs and financial services to individuals, families, and small businesses since 1972, and through their affiliation with Securities America, Inc. since 2007. But we're not simply a team of financial planners managing money. We are trusted advisors, life coaches, and loyal partners. We truly care about our clients' well being. And we strive to build long-term relationships with each and every one of them. In other words, "we show up." By showing up, we help our clients make smart financial decisions – so they can enjoy life and focus on what matters most.

Through our offices in Buffalo, Rochester, and Binghamton, our nearly 100 employees and representatives, and the latest in technology, we offer our clients guidance that is consistent with their goals for the future. For more information, contact us at 716-839-1234 or 800-326-8410, or visit us online at www.lmfs.net.

8 Tips for Managing Money in Retirement (So You Don't Stress Out or Run Out of \$\$)

The good news is you're about to retire. You're looking forward to days spent on the golf course, visiting grandkids, and traveling with your spouse. The bad news is that you're not sure how much money is really safe to spend. After all, you might live for another five years, or another 25.

It's a conundrum many retired and soon-to-be retired Americans face. Just how much can you really spend during retirement?

You don't know what your life expectancy will be, nor what the stock market will do. What you do know is that you want to enjoy retirement and not be so overly frugal that you miss out on traveling and having a good time. But you don't want to blow through your savings too soon, either. What to do?

Unfortunately, there isn't a simple answer, or magic formula.

However, here are some tips that can help you wisely manage your money, enjoy your retirement, and gain peace of mind in the process.

Tip #1: Create a budget...and stick to it.

During retirement – when you're not earning a regular paycheck anymore – it's critically important to develop a budget to find out where your money is going and how much you can comfortably spend. Doing so also gives you a good idea as to where you can trim expenses.

Tip #2: Keep a cash cushion – just in case.

If a high withdrawal rate is paired with a market downturn, you could get into trouble. To mitigate this kind of situation, keep two to five years worth of living expenses in short-term bonds and cash.



Tip #3: Debt is not your friend. Ditch it!

That beach house and brand new convertible sound great. But can you afford them – especially if you borrow to have them? Examine your finances and budget carefully before you take on any new debt. In particular, don't dip into your home's equity in order to finance an expensive vacation or big toy.

Also, if you haven't already, this is the time you should be

Summer 2016 QUIZ

Answer all three questions correctly and you'll be entered to win a certified kosher, cinnamon walnut, said to be amazingly tasty, *My Grandma's of New England* coffee cake delivered right to your door. Three winners will be drawn. Print your answers on the enclosed reply card and submit by June 30th to be eligible.

1.) What percentage of total federal spending did Medicare account for in 2015?

2.) Currently, how many workers are there for each Social Security beneficiary?

3.) 401(k) plans were established by which law?

Glossary

Roth IRA

An individual retirement account allowing a person to set aside after-tax income up to a specified amount each year. Earnings and withdrawals after age 59½ are tax-free.

Traditional IRA

An individual retirement account that allows individuals to direct pre-tax income, up to specific annual limits, toward investments that can grow tax-deferred.

L&M People: Christina Wolfe honored with industry award.



L&M Compliance Officer Christina Wolfe was recently named "2015 Distinguished Principal of the Year" by Securities America, Inc., L&M's broker-dealer. The award is in recognition of her consistently going "above and beyond" in her principal support role. At L&M, she is responsible for compliance supervision, ensuring her branch adheres to best practices and policies as they relate to the Financial Industry Regulatory Authority (FINRA) standards.

Wolfe joined L&M Financial in 2010 and holds FINRA Series 24, Series 7, and Series 66 licenses as well as a New York State Life Insurance License. She is a native of Niagara County and has more than 20 years experience in the financial services industry.

L&M Happenings

Volunteering at Roswell Park



Members of the L&M team recently donated platelets, one of many community activities in which L&M has been involved this year.

Left to right: Richard Kohl, Wendy Mednick, Gloria Sadowski, Greg Brown, Jacob Cosmas, and Karen Allen. Not shown: Ed Allen

See you in September for Shred-it!



Watch your mail in the coming months for more information about our September Shred-it Events. It's a great way to dispose of all the out-of-date or unnecessary paper that's cluttering up your home. Family and friends are welcome with all their 'stuff!' RSVP now and mark your calendar accordingly.

Binghamton

Date:

Wed., Sept. 14th, 3 p.m. - 6 p.m.

RSVP:

Kathleen O'Connor:
607-748-1803, or
koconnor@lmfs.net

Buffalo

Date:

Sat., Sept. 17th, 10 a.m. - 1 p.m.

RSVP:

Rose Rath:
716-839-1234, ext. 246, or
rrath@lmfs.net

The Financial facts

- More than a third of Americans don't have a penny saved for retirement, including more than a quarter of those age 50 to 64, according to a 2014 survey by Bankrate.com.

- 68% of Americans age 25-64 aren't participating in an employer-sponsored retirement plan, like a 401(k), a 2011 study from the Schwartz Center for Economic Policy Analysis at The New School reported.

- Retirees will spend an average of \$220,000 in health care expenses during retirement, a 2014 survey from Fidelity estimated.



The Financial funnies

A woman comes home to find her retired husband waving a rolled up newspaper around his head.

Wife: "What in the world are you doing, dear?"

Husband: "Swatting flies. I got three males and two females."

Wife: "How on earth do you know which gender they are?"

Husband: "Easy: Three were on the beer, and the other two were on the phone."

Recipe for Success

Vintage Lemonade



Ingredients

- 5 lemons
- 1 1/4 cups white sugar
- 1 1/4 quarts water

Directions

Peel the rinds from the lemons and cut them into 1/2-inch slices. Set the lemons aside.

Place the rinds in a bowl and sprinkle the sugar over them. Let this stand for about one hour, so the sugar begins to soak up the oil from the lemons.

Bring the water to a boil in a covered saucepan and then pour the hot water over the sugared lemon rinds. Allow this mixture to cool for 20 minutes and then remove the rinds.

Squeeze the lemons into another bowl. Pour the juice through a strainer into the sugar mixture.

Stir well, pour into a pitcher, and place in the fridge to cool. Serve with ice cubes.

Roth vs. Traditional IRAs: A Checklist to Help You Choose

When it comes to saving for retirement, there are a lot of decisions to be made. One of them is what kind of account to invest in. Both Roth IRAs and Traditional IRAs have pros and cons. To help you decide which is right for you, here's a look at the main features of both:

Roth IRAs:

- You can contribute to a Roth IRA at any age.
- Income limits apply to make contributions. For instance, for 2016, single filers making up to \$117,000 can contribute the full amount, as can joint filers making up to \$184,000.
- You can't deduct your Roth IRA contribution.
- Contributions are always withdrawn tax-free.
- There are no penalties on withdrawals of Roth IRA contributions. But there's a 10% federal penalty tax on withdrawals of earnings.
- There is no minimum required distribution during the lifetime of the original owner.

Traditional IRAs:

- You must be under age 70½ to contribute to a traditional IRA.
- There are no income limits to make contributions.
- You may be able to deduct some or all of your traditional IRA contributions.



- You'll pay ordinary income tax on withdrawals of all Traditional IRA earnings and on any contributions you originally deducted on your taxes.
- Withdrawals before age 59½ may be subject to a 10% early withdrawal penalty unless an exception applies.
- The minimum required distribution starts at 70½.

For both Roth and Traditional IRAs, the maximum contribution is \$5,500 or 100% of employment compensation, whichever is less. Also, individuals age 50 or older (in the calendar year of their contribution) can contribute an additional \$1,000 each year.

If you're still not sure which investment vehicle is right for you, simply contact your L&M financial advisor to get the answers you need to make the decision that's right for you.

“Notable Quotables”

I have not failed. I've just found 10,000 ways that won't work.

—Thomas A. Edison

L&M by any other name...

Many companies offer insurance, financial planning, or advice on investing in the stock market. But representatives of L&M are experienced not only in these three areas, but in many more as well. L&M Financial representatives have been providing a broad range of financial planning and benefits programs to many people across New York State since 1972.

Available products and services are:

- Financial and estate planning
- Long-term care planning
- Pre- and post-retirement counseling
- Tax-favored investments
- Mutual funds
- Equities
- Life insurance
- Disability insurance
- Group insurance
- Funding for education
- 401(k)
- 403(b) Tax Sheltered Annuities
- 457(a) Deferred Compensation
- Individual Retirement Accounts
- Third party administration/ payroll deduction services

L&M representatives offer workshops, seminars and, of course, individual meetings in an effort to educate you about effective ways to help establish a secure financial future.

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Resources to Help You

For more resources and tools to help you plan and save for retirement, visit <http://lmfs.net/calculators>

There, you'll find these valuable calculators:

- 403(b) Savings
- 457 Savings
- Life Expectancy
- Required Minimum Distributions
- Roth IRA Calculator
- Roth IRA Conversion
- Roth vs. Traditional IRA
- Social Security Benefits

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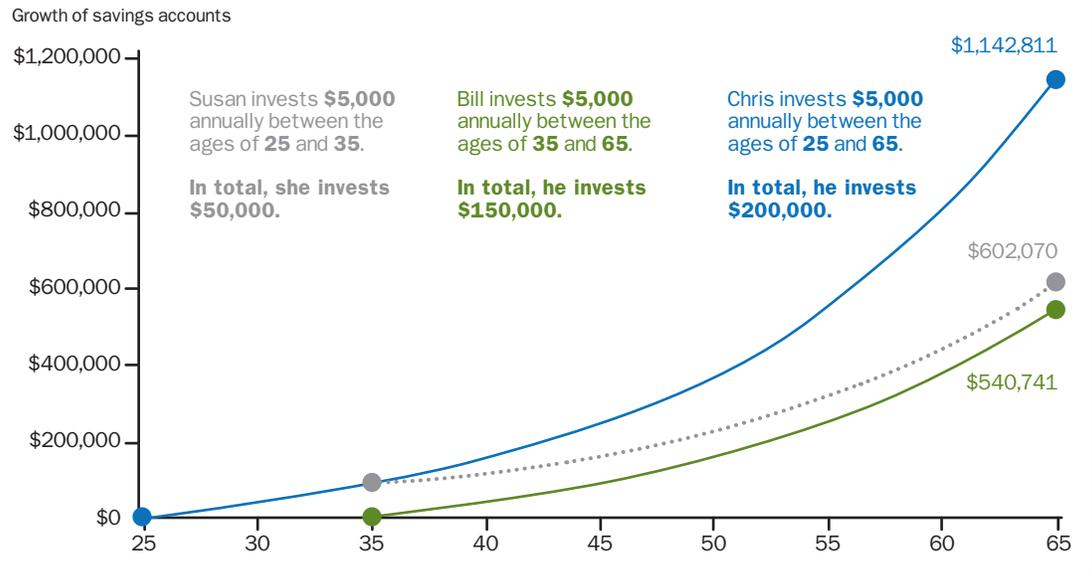
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Power of Compound Interest Chart

Compound interest occurs when the interest that accrues to an amount of money in turn accrues interest itself. It's the simple force that causes wealth to grow rapidly, as demonstrated in the chart below. Note the critical advantage of starting early as seen in the examples of Susan and Chris. *Source: BusinessInsider.com*



8 Tips for Managing Your Money in Retirement

Continued from Cover

seriously paying down any existing debt. You want your retirement years to be as stress-free as possible – and getting rid of debt will help ensure that.

Tip #4: Downsize your lifestyle.

If you're an empty nester, do you still need that five-bedroom house – and all the taxes and expenses associated with it? Other areas to consider downsizing include that pricey SUV, cable or satellite TV, and cell phone contracts.

Tip #5: Take good care of yourself.

Even if you plan carefully, health problems can really mess up your budget. While no one has total control over their health, you can eat well, exercise regularly, and stay active socially.

In addition, if you do take brand name prescription drugs, ask your doctor if there is a generic form of your medication or a less expensive equivalent.

Tip #6: Use those senior discounts.

From savings on car insurance to hotels and

movie tickets, there are hundreds of discounts that boomers, seniors, and retirees can take advantage of. For some, you have to be at least age 50; others require you to be at age 55 or 60+. Just ask if you're not sure. (It's the silver lining to grey hair!)

Tip #7: Sign up for balance billing plans on your utility bills.

Many utility companies offer budgeted billing plans. With these, you're charged a fixed amount each month – so whether it's a high usage or low usage month, you pay the same. While you're not necessarily saving money, it makes budgeting much easier because you know exactly how much you'll spend on utilities each month.

Tip #8: Make your finances a priority.

Your income may not stretch as far as it once did. As a result, your financial health should come first. So when your kids come asking for financial help or you want to plan a big anniversary party, make sure you're not negatively impacting your finances to do so.

Visit the L&M website at:

www.lmfs.net