



How Much Can You Afford to Spend in Retirement?

As you near retirement, you will probably spend countless hours thinking about how and where to invest after you stop working. What amount of risk can you stomach at this stage of life? Should you become more conservative with investments and start shifting funds to CDs and money market accounts, so you don't run out of money during your lifetime?

Our Spending Policy Statement addresses these significant questions by providing a framework for handling distributions from your portfolio while maintaining your long-term goals in perspective. Just as we create an Investment Policy Statement (IPS) that creates the parameters about how investments will be managed on an ongoing basis, we establish a Spending Policy Statement to similarly guide you about how sustainable retirement withdrawals will be funded from the portfolio to last your lifetime.

At LFG, our planning team has synthesized research performed by highly reputable professional colleagues and academics to develop a practical program that can help you have guidelines around what is your portfolio's safe withdrawal rate each year. This Spending Policy personalizes and expands the conventional 4 percent withdrawal rate and ensures your portfolio distributions appropriately take into consideration your unique circumstances. These variables or factors such as time horizon, spending flexibility, risk capacity, tax impact, diversification, and investment costs, determine how your withdrawal amount should be adjusted over time while maintaining stable cash flow and safe distribution rate.

We make these adjustments for our clients beginning to take distributions from their portfolio, who may find themselves in the fortunate position of having enough to cover their golden years.

If you are interested in learning more about our Spending Policy, call your LFG Advisors at 305.670.4440.

by Philip Herzberg, CFP®

Fast Tracking Your Retirement Savings

The current retirement system places the responsibility of saving for retirement on our own shoulders, which is not only appropriate but also advantageous for prudent workers who want to give their assets every opportunity to grow. Defined benefit plans, such as pensions,

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My Money Life

This third quarter brings us a new and exciting development using our Client Vault to safely and securely deliver our client Quarterly Performance Reports.

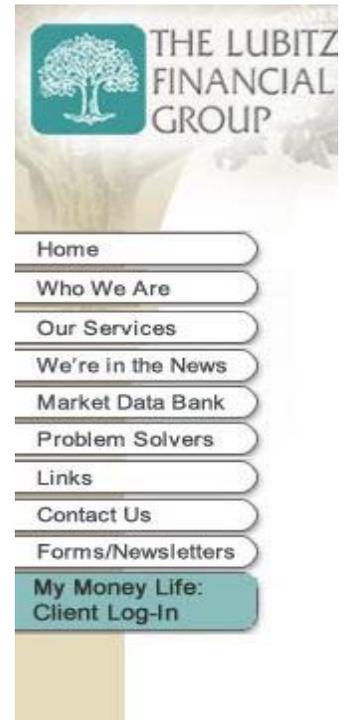
You can now access this report and store all your important documents such as passports and estate documents in one secure web-based portal.



Call **Josh Davison** to learn more about these changes and more.

305.670.4440

[MyMoneyLife Client LogIn](#)



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AROUND THE OFFICE

Furthering the Profession ... **Linda** was asked to participate in a research study conducted by fi360 (industry colleague) pertaining to the new Department of Labor Fiduciary Rule. **Jorge** participated in the June FPA (Financial Planning Association) National Board of Directors Strategic Planning Meeting to continue shaping the association's future initiatives. **Phil** was elected Secretary of the Estate Planning Council of Greater Miami.

In the News ... **Jorge** was quoted in an article entitled, "Give Your Graduate Cash—A Lifetime of It" which was shared on Bloomberg.com. **Linda** was quoted in CNBC on the topic of "Suddenly Single: The Financial Reality of Going from Two to One." **Linda** and **Phil** co-authored "Enhancing Estate Planning with Investment Policy Statements" which was published in the *Journal of Financial Planning*. All of these can be read on our website, www.LubitzFinancial.com/ We're in the News or click on [LFG In the News](#).

Education ... **Linda** and **Phil** attended the FPA meeting with the organization's National Director of Marketing to learn how to work best with the media. In June, **Jorge** attended a two-day JPMorgan Wealth Management Symposium in NY. **All of our LFG advisors** attended our local FPA Annual Symposium where a full day of financial planning topics were covered: from Estate Planning to Home Equity Strategies to Top Technology. **Maddy** attended the Schwab 2016 Solutions conference and is excited about the new features and technologies available to us from Schwab. **Nancy** attended a three-day compliance conference in Chicago as she works toward IACCP certification (Investment Advisor Certified Compliance Professional).

Family & Personal Matters... **Josh** had a sunny summer exploring the Bahamas via cruise ship mid-June and hosted a long family weekend here in Miami. Aside from relaxing and grilling out, he took them to our local zoo and ventured offshore to a sandbar located in Biscayne Bay. **Jorge's** wife, Ana Carolina is now a Certified Integral Coach and will continue focusing on executive and career coaching with her clients.

Exotic Travel ... **Linda** and **Norm** travelled to Canada for their summer vacation, starting in Montreal and ending up again in Cape Breton, Nova Scotia. They purchased an investment property in the Cabot Links resort and spent a week playing the stunning links courses. If you are a golfer, you need to come play this course. www.cabotlinks.com. **Norm** is now regularly breaking 90 and **Linda** is taking lessons. **Jorge** visited family in Spain before enjoying a European vacation with his wife, Ana Carolina visiting Amsterdam, Ibiza, Rome and the Amalfi Coast. **Nancy** spent a week in Wasaga Beach, just north of Toronto, with a goal of focusing on healthy food and exercise.

Office Happenings ... **Linda** and **Jorge** completed another road trip in August to visit clients in the Tampa area. Thanks to our friends at Charles Schwab, we worked with a consulting team to help us with our Strategic Planning. One of the many significant results of our sessions was confirming the Lubitz Financial Group Purpose: **To Make a Positive Difference in Your Financial Life Now and in the Future.**

Client and Friends Appreciation ... We were pleased to host two events this past quarter — we had a small summer event in July

for those clients and friends who were beating the heat with us in Miami! The Coconut Grove Arts Festival, has a beautiful Art Gallery in the Shoppes of Mayfair where we learned some "travel tips" and mingled. Our Annual Fall Appreciation and Educational Event was at the Riviera Country Club with a presentation entitled, "Bulls, Bears, Donkeys & Elephants". If you haven't received our firm's perspective on this, call or write to NancyM@LubitzFinancial.com and she'll get it out to you.



Good Bye ...Farewell ...Au revoir ... Adios ... Arrivederci ... Ciao ...

But most of all We wish you the best!

Clint McCalla, CFP®, one of our valued advisors is leaving Miami to head "back home" to Texas to hang a shingle. All of us here at The Lubitz Financial Group will miss him (and his wife, Sarah) and know that they'll have great success with this move. We appreciate all of the help he's provided to our clients (and our firm!) during his tenure. We plan to stay in touch!

Retirement Savings Policy (continued from page 1)

are going away and Social Security might not be around forever as a source of retirement income.

With many types of retirement accounts available, it can be challenging to keep track of how much you may put away where, especially if you are eligible to contribute to multiple accounts.

Our LFG Planning Team is in the process of developing a Savings Policy to help you and your families reach important accumulation goals with your total contributions. Not only can paycheck deferrals to employer-sponsored Traditional 401ks reduce your tax bill, but they also can be boosted by employer contributions.

This Savings Policy framework will have four dis-

tinct, yet interrelated, factors, each of which plays a key role in a successful retirement outcome:

- ◆ **Contribution Amount:** How much are you saving? Should you increase or decrease annual 401k or 403b contributions?
- ◆ **Rate of Return:** How much is being earned in interest, dividends, or capital growth? Can you re-allocate savings to achieve a higher return without compromising huge risk?
- ◆ **Time Frame:** Can you plan to save for an additional few years, so that you can reach the goal? Compound interest and gains in tax-deferred vehicles will have its greatest impact in later years.
- ◆ **Amount of Goal:** How much is really needed?

Contact your LFG Advisors at 305.670.4440 if you want to plan ahead to fulfill retirement savings goals.

Your 2016 Financial To-Do List: Month by Month - October through December

October: (1) Consider converting money from your Traditional IRA to Roth IRA, if you expect to have lower income this year. We can help by performing a Roth IRA Conversion analysis to project how much conversion income you will pay at a tax rate that is lower than usual. (2) Utilize these final three months to maximize tax deductions across the board. Consult with your CPA to see if it makes sense to complete any deductible repairs or upgrades to reduce taxable income on rental property. If you are self-employed, there are legitimate business expenses (advertising and travel) that can be deducted to reduce taxable income. On our end, we review your portfolio for tax-loss harvesting opportunities to offset 2016 investment gains.

November: (1) Life events may require you to review your overall financial situation. You might want to add new insurance policies or adopt a more ambitious savings policy if you recently changed jobs, bought or sold a home, or expanded your family. (2) Plan your charitable contributions now, so you have time to select recipients and decide whether you want to donate cash or appreciated assets. Make your charitable gifts by December 31st, so they count towards your 2016 contributions for tax purposes.

December: (1) Save any surpluses. Current employees earning over \$118,500 will get a boost in their paycheck toward the end of the year after they have maxed out their Social Security contributions for the year. Consider paying down any outstanding obligations, bolstering your "safe-to-spend" savings account, or funding a 'back-door' Roth IRA with this "bonus money." (2) If you have a Flexible Spending Account (FSA), find out whether your employer offers a grace period option (typically till March 15th) to spend down your account. Make the most of your 2016 FSA dollars by scheduling those eligible expense procedures to get the Lasik surgery or dental work that you've been putting off. (3) Happiness. Take advantage of the pre-holiday lull to think about what you want 2017 to look like for you. Do you want enhanced peace of mind as your top priority or more purposeful spending as your main financial goal?

Florida Do Not Call



Advancements in technology have greatly improved telecommunications, but they have also resulted in an increase of unwanted sales calls. Fortunately Floridians can protect themselves from unwanted calls and texts by subscribing their residential, mobile or paging device number to the Florida Do Not Call list. (Following the elimination of the subscription fees in 2012, the Florida Do Not Call list jumped from less than 72,000 to more than 1 million subscribers.) Visit FreshFromFlorida.com or calling 1-800-HELP-FLA (435-7352). Residential, mobile and paging device telephone numbers are eligible to be on the list. *Reporting violations is critical to the success of the program.*

We welcome the opportunity to help you, your family and friends achieve peace of mind related to wealth and life transition planning.

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Thoughts to Live By ...



"Don't you love New York in the fall? It makes me want to buy school supplies. I would send you a bouquet of newly sharpened pencils if I knew your name and address." — Nora Ephron

"I would rather sit on a pumpkin, and have it all to myself, than be crowded on a velvet cushion." — Henry David Thoreau



"Autumn is a second spring when every leaf is a flower." — Albert Camus