Covered in this summers issue::

Famous Quotes

If you make any money, the government shoves you in the creek once a year with it in your pockets, and all that don't get wet you can keep.

Will Rogers

The only difference between death and taxes is that death doesn't get worse every time Congress meets.

Will Rogers

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Reverse Mortgage has no downside for seniors

By Terry Savage for the Chicago Sun Times

Reverse Mortgages are a concept that's catching on – but slowly. That's because seniors who had the good sense to pay down their mortgages are now very hesitant to borrow against that home equity to supplement their monthly income.

That's understandable – but it's a mistake. And I hope I can convince you to at least consider whether a reverse mortgage might be appropriate for you or anyone who is house-rich but income poor.

To make the point, and with his permission, I want to let you know that's exactly what I did for my own 84-year-old father a few months ago when I helped him take out a reverse mortgage on his paid up retirement condo. So you see, I'm putting my money where my mouth is. Or to be more accurate, I helped my dad to put his own money in his pocket—just as I've been advising you to consider.

This kind of financial independence is priceless, and well-deserved. Why shouldn't your house pay you back for all the money you've put into it over the years—especially with the guarantee that you can never lose the roof over your head?

No one can force you to sell

Let me stress that again: No one can force you to sell the home while you still live there. Another important note: The repayment amount can never exceed the value of your home at the time the loan is repaid. You or your heirs can never owe more than the home is worth when you die or move out and sell it.

Annual Long –Term Care costs Move Above $70,000 in 2006

Financial poll shows 65% have no long-term care plans

March 27, 2006 - The average cost of long term care in nursing homes, assisted living facilities and in the home increased over the past year, with assisted living and in-home costs rising more sharply than nursing home care, according to Genworth Financial's annual "Cost of Care" survey. And, Genworth found that the 65 percent of Americans surveyed in a new

Americans surveyed in a new national poll admit to having made no long term care plans for themselves or a spouse.

The average annual cost for a private one-bedroom unit in an assisted living facility rose 7 percent from the 2005 survey, to $32,294, while the combined average hourly rate for a

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percent of Americans admit to having

Bill Thurman was born and raised in Ohio. He and his wife, Cheryl, have five children. Bill built his financial consulting practice, Legacy Consultants LLC, over the last 20 years. Early in his career, Bill made the decision to specialize in working with seniors. He is a national speaker, conducting workshops and seminars for seniors. His workshops address the special areas of concern faced by those in their "golden years" such as Medicaid planning, reverse mortgages, and not outliving your money.

Bill enjoys a number of activities and hobbies such as golf, spending time with his family, coaching youth football, and running the non profit foundation he started 15 years ago, The Making a Difference Foundation. He and his wife of 17 years live in Xenia, Ohio.

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home health aide for in-home long term care spiked 13 percent to $25.32 per hour. The average annual cost for a private room in a nursing home rose modestly by 2 percent over last year to $70,912.

Cost of care in urban regions is, on average, 17 percent greater than in non- urban regions -- a 5 percent increase over last year's regional findings.

"As the first wave of America's 77 million baby boomers head into retirement this year, it becomes more critical for Americans to seriously evaluate how they will maintain their lifestyles as we live well into our 80's, 90's and beyond," said Buck Stinson, president of Genworth's long term care insurance business. "It's good news that the typical steep gains in nursing home costs have moderated this year. But the fact remains that most American households remain unprotected from the costly health challenges that come with greater longevity."

According to the national survey by Public Opinion Strategies, 65 percent of Americans admit to having made no long term care plans for themselves or a spouse.

The poll also revealed most individuals recognized the need to prepare for the cost of long term care, but were largely unprepared. Many Americans surveyed also wrongly believed they had insurance protection, felt that their savings would be adequate to cover long term care costs, and incorrectly believed that Medicare would cover long term care costs.

Stretch That IRA

How can you avoid the IRA tax bomb and bless your heirs with what many refer to as a Loving Legacy IRA?

This tax bomb occurs when IRAs are passed to non-spouse beneficiaries (kids, grandkids, ect.)

If a lump sum is taken (which is the most likely outcome because the average IRA beneficiary spends his inheritance in 93 days) they will owe state and federal income taxes on the entire lump sum.

So, if it was a $250k IRA…Uncle Sam would get roughly $100k or 40% right off the top. Uncle Sam then effectively becomes your primary beneficiary of your IRA money. It's like your IRA is broken and it needs to be fixed.

Now the solution is of course to "stretch" your IRA. It allows us to pass on our IRAs to our children and grandchildren as a tax-free rollover.

They have to take income and they will owe tax on the small distributions, but not on the entire amount. Your heirs will receive a check for the rest of their lives…now that's a legacy.

You need to seek a specialist in this area because the majority of brokers/advisors are not IRA specialist and won't know how to go about setting this up correctly.

Many advisors use a trust to setup this approach, but what they don't realize is that they are shooting their clients in the foot by not taking full advantage of what the IRS allows us.

Again, the key here is to find the right advisor that specializes in areas such as this.