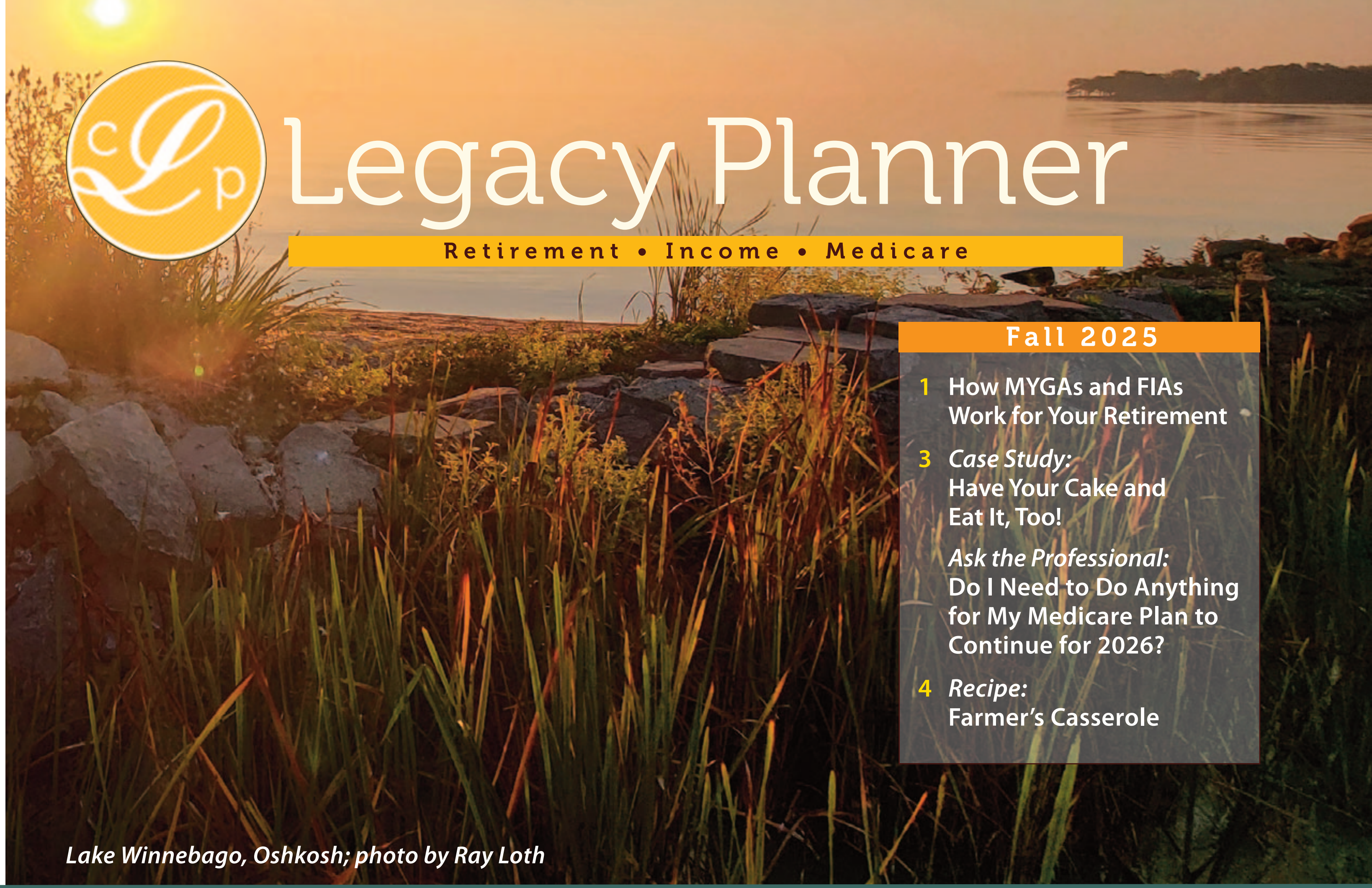
Collier Legacy Planning llc

Raymond Loth
Licensed Insurance Professional
2380 State Road 44, Suite E
Oshkosh, WI 54904
920-233-0033



Legacy Planner

Retirement • Income • Medicare

Fall 2025

Lake Winnebago, Oshkosh; photo by Ray Loth

••• Farmer's Casserole •••

Here is a cozy dish filled with hash browns, eggs, cheese and savory goodness baked into one satisfying casserole! Treat yourself, your family, and company to a good start to the day with this hearty breakfast. Add your favorite veggies to the dish.—*Barbara Schlaefer*

•••Ingredients:

3 cups frozen hash browns (thawed)
1 cup cooked ham, diced
1-1/2 cups chopped green onions
1/4 cup chopped red or green bell pepper
1-1/2 cups shredded cheddar cheese
1-1/4 evaporated milk
5 eggs
1/4 teaspoon salt
1/4 teaspoon pepper
1/2 teaspoon garlic powder

•••Directions:

1 Preheat oven to 350 degrees. Grease a 9 x 13 inch baking dish.

2 Layer hash browns evenly in the bottom of the dish. Sprinkle ham, green onions, peppers and cheese (and any extra veggies) over hash browns.

3 In a bowl, whisk together eggs, milk, salt, and pepper. Pour over the casserole.

4 Bake uncovered for 45 to 50 minutes, or until set and golden on top. Let rest 5 to10 minutes before slicing and serving.

Photo: Daderot, Wikimedia Commons

How MYGAs and FIAs Work for Your Retirement

By Raymond Loth

MYGAs and FIAs are two of the more commonly used annuities for retirement planning.*

- **MYGA** stand for **M**ulti-**Y**ear **G**uaranteed **A**nnuity.
- **FIA** stands for **F**ixed **I**ndexed **A**nnuity.

They are often used ***during***, as well as ***in***, the years preceding retirement. Both have grown considerably in usage recently.

"It has been a historic couple of years for annuity sales, fueled by the highest interest rates in a generation." *—Wall Street Journal*, "Annuities' Run Probably Isn't Over Yet," by Telis Demos, Sept. 21, 2024

First, some SIMILARITIES: Both are "fixed annuities," and you are not directly invested in stock/equity markets. You therefore avoid risk of loss due to such market fluctuations: **Your original principal and your earnings are protected, guaranteed by the company.**

Both accounts are set up for a specific time, from 1 to 10 years, or even longer in certain cases. They have penalty free withdrawal provisions, often 10%/yr. starting after 1 year. Surrender charges (penalties) apply to excess withdrawals. Death benefits are paid out to stated beneficiary(ies).

Both are also tax deferred, and subject to income tax at time of withdrawal. There are generally no annual fees.

A **MYGA** does exactly what the name implies. It guarantees your interest rate for a set period of years, depending on the product.^ After the term of years, you have complete access to the funds without penalty.

The established interest rate offered will vary based on when you open the account. **Currently, we are seeing GUARANTEED rates with good companies between 4.25% and 5.75%,** depending on account features.

These types of accounts may be attractive to people who have limited retirement resources, need predictable income, or insist on growth every year despite fluctuations in financial markets.

An **FIA** offers growth that is indexed, or linked to various indices, including the S&P—all while still protecting your account value from market losses. The account can be split up internally between different growth options.

Growth is usually credited to your account on the annual anniversary date. These accounts can do very well when

"How MYGAs and FIAs Work for Your Retirement" continues on the next page.

a respective index is doing well. **Even during times of significant market volatility, the worst this account will show is 0% growth for the year, with no loss to principal.**

These accounts may also offer other features/riders not available with MYGAs such as lifetime income, chronic illness, and/or higher death benefits which generally come at an additional cost. Longer duration accounts may also offer a bonus deposited on your account, for added benefits.

These types of accounts may be attractive to people who would still like to participate in market-linked growth, but are seeking more conservative options to avoid market losses. They also provide excellent options for healthy people who'd like to use 401k/ retirement assets to guarantee lifetime income, in addition to Social Security.

"As rate cuts hit the yields of online savings accounts or money-market funds, people might start to shift into longer-term assets—including annuities….about half of annuity sales are typically from 401(k) rollovers." —*Wall Street Journal*, "Annuities Run Probably Isn't Over," by Telis Demos, Sept. 21, 2025

Both MYGA and FIA annuities can work very well for asset growth in the years preceding, and during retirement—as well as for income planning. Some clients lean more heavily to one type or the other. Others choose a balance of both types, thereby achieving guaranteed growth and higher upside potential.

I hope this helps answer some basic questions. Please feel free to reach out for additional information. Thank you for your trust and confidence. —*Raymond Loth*

** This is not intended to offer specific advice or details on any particular asset type. While we do work with certain financial institutions, this is not intended to represent any specific company or account terms which are available only in company specific and approved materials. We also do not represent or claim to offer advice on securities.*

Annuities are long term financial products designed for retirement income and may not be suitable for everyone. They involve fees, expenses, and limitations, including surrender charges for early withdrawals. Some include optional riders and benefits that may come at additional cost. Annuity guarantees are backed by the financial strength and claims-paying ability of the issuing company. Annuity product and feature availability may vary by state.

I am a licensed insurance professional. I am not affiliated with the Social Security Administration or any government agency. The information provided should not be considered as an offer of any product. You can use a variety of funding vehicles to plan for your retirement. You should consult with your financial professional to help you determine what is most suitable for your needs.

^ This is different than a basic fixed rate (non-MYGA) annuity, which re-states the interest rate each year during the term of years.

Lake Geneva Regatta; photo by Ray Loth

Annual Tax Questions:

- Do you need to take RMDs (Required Minimum Distributions)?
- Can you make HSA (Health Savings Account) contributions?
- Have you made your allowable IRA contributions?
- Should you consider tax bracket maximization withdrawal strategies, and/or a ROTH conversion?

Egg Harbor, Door County; Photo by Ray Loth

"How inaccurate are one-year market forecasts? They're like a person looking in an unlit cavern at midnight for a black cat that isn't there."
***—Wall Street Journal*, "How to See Through Wall Street's Annual Charade" by Jason Zweig, Jan. 11, 2025**

Case Study

Have Your Cake and Eat It, Too!

About a year ago, a client of ours asked about options for some savings.* The couple already had over $1,000,000 in various retirement accounts we recommended. For the added funds, they wanted to retain more access over the next 2 years for a potential large purchase.

We discussed a 5 year MYGA** **which INCLUDES a 30 day window for a FULL PENALTY-FREE withdrawal after only 2 years.** The initial guaranteed rate was 5%. If continued after 2 years, the rate would actually INCREASE to a guaranteed 5.5% for the remaining 3 years!

The client decided to start the account with $100,000. After 2.5 months, they added another $25,000 for a **total of $125,000.** At the end of 2 years, they will have approx. $137,812, and NO PENALTIES for a full withdrawal.

What though if they wanted their money earlier, like NOW?

Here are the numbers after the first year:

Account value	$131,037
Penalty free wd amount	$24,787
FULL (early) surrender	$126,787 (after penalties)

Estimated future GUARANTEED account value (if left to grow):

After 2 full years	$137,812 (fully available)
After 5 years	$161,824 (fully available)

This is a "win/win" for the client. They: (1) can cancel the contract early after only 1 year and still get back more than they put in; (2) retain partial access each year, including full penalty-free access after 2 years, and; (3) are guaranteed a great rate for 5 years.

Many fixed annuities are longer-term accounts with limited annual access and penalties for excess early withdrawal. However, with good communication, planning, and company selection, we can often help you **"Have your cake and eat it, too",** with access, growth, and safety! —*Raymond Loth*

** Please see main article footnote on facing page.*

*** This information should be considered hypothetical, and does not include the impact of income taxes.*

Photo: Chris Rycroft, Wikimedia Commons

Ask the Professional…

Do I Need to Do Anything for My Medicare Plan to Continue for 2026?*

No, you do not.^ Medicare Advantage, Supplement, and prescription drug plans continue automatically each year.^^ However, the Oct. 15 -Dec. 7th AEP does give beneficiaries the opportunity to change plans.

Fortunately, most of the plans that we recommend have demonstrated excellent stability from year to year. That said, there are always some changes each year. Usually these are relatively minor, and may even include certain improvements. The Insurance company updates you on this.

We pay close attention to available options in our area.** Based on our following years of industry trends and feedback from our nearly 600 Medicare clients, we focus on companies that demonstrate stability and consistent benefits. We also place a high value on companies with excellent customer service. **Most of our clients are happy with the coverage, costs, and customer service from the companies we use, and have kept the same plans for many years.**

So, as you individually navigate all of the advertising and conversations about Medicare this fall, PLEASE reach out to us with your questions or concerns. We love keeping in touch with you, either over the phone, or for a face to face review. **Thank you for your loyalty in working with our office, and for recommending others to us.** —*Raymond Loth*

** We are not associated with, or representing, the Federal Government Medicare program, nor is this article intended to explain or define the specific benefits of this program. Our intention is to provide a high-level overview of the areas that Medicare Supplement, and Medicare Advantage plans are designed to address. These are offered by private, generally for-profit, companies, some of which we do represent and work with. Please consult www.medicare.gov , www.cms.gov , your local Social Security office, or other such official sources for information on actual government programs.*

Additionally, this newsletter is generally intended to be educational, and not sales or promotional, in nature—primarily for our established clients. It therefore also comments on other important services and products that many of these clients have, like annuities, life insurance, etc. Any reference to non-Medicare related services is not intended divert the attention of newly interested Medicare beneficiaries.

^ In the rare event that your company is discontinuing a plan in your area, clear notice of that would be provided to you directly from the Insurance company so that you can make a new plan selection.

^^ Please see our Spring 2025 Newsletter on our website clpwi.com for a more comprehensive discussion of Medicare based planning options.

*** Although we are an independent office, we are not licensed with many of the plans in this area, and currently represent approximately 22 of the approx. 44 plans in this area, not including additional Medicare Supplement plans.*