



Brought to you by Thom Harrington, FICF, PGK, PFN

KNIGHTS OF COLUMBUS Financial Beacon

Spring 2018

**Another record year,
steady and secure**

**Planning and protecting
your legacy**

**Staging the successful
sale of your home**

**In case of illness, insure
your financial recovery**





A MESSAGE from your agent

Dear Brother Knight:

Another year of record-breaking sales reminds us of the strength of Knights of Columbus insurance. But, even more importantly, that we remain steady and secure.

As recently shared by Supreme Knight Carl A. Anderson: “Since the year 2000, our insurance in force has grown from \$40 billion to nearly \$110 billion. Our assets have increased from \$8.5 billion to nearly \$25 billion. During these years we have paid out more than \$5.3 billion in dividends and more than \$4.3 billion in death benefits. That’s right — nearly \$10 billion in dividends and benefits.

During the same time, our membership has grown every year, from 1.6 million to nearly 2 million members today. And with this greater number has come greater action.

Each year, we have increased the hours and the dollars donated to charity. Since 2000, we have given more than \$2.5 billion. We have also volunteered more than 1.1 billion hours, and the value of that service is estimated at more than \$23 billion.”

Join me in my continued enthusiasm for our mission. I look forward to seeing you throughout the year.

Fraternally yours,

Thom Harrington

Planning and protecting your legacy

You work hard all your life, carefully saving for a secure retirement. You may also hope to leave a lasting legacy—for your heirs, your church, or another effort you wish to support.

Moving away from risk

As you approach retirement, you likely begin to think more about the preservation of wealth, and less about the accumulation of wealth. After all, you want to enjoy a secure retirement, and you do not know how long that may be.

Required minimum distributions (RMDs)

When you reach 70½, tax-deferred funds, such as those in a traditional IRA, must be valued at the end of each year and a minimum amount must be withdrawn as income. Taxes must be paid on that income.

After taxes, then what?

If you find yourself secure in your retirement—you do not need the income from your RMDs for your living expenses—but you want to make every after-tax dollar of your required distribution count toward your legacy, you may want to consider using this annual distribution to fund permanent life insurance.

Lump sum inheritance

Should you have an inheritance that came to you as a lump sum settlement, you may want to consider using some or all of these funds to provide a legacy of your own, through permanent life insurance.

Protecting a surviving spouse

After the death of a spouse, the surviving spouse may have a change in tax filing status, which could impact their taxable income total and tax rate.

If you draw a pension, the income payment from it likely will be reduced, or stopped completely, after your death, depending on your situation.

A permanent life insurance death benefit can provide tax-free funds for your spouse as they are faced with these and other changes.

Passing wealth to your heirs tax-free

Even if your estate is not subject to estate or inheritance tax, your heirs still must pay income tax on most types of



assets inherited from your estate.

The death benefit from a life insurance policy, however, is tax-free. **Simplifying the settlement of your estate** Depending on your circumstances, especially if you have a business, property, or both, providing a death benefit from your permanent life insurance will provide your heirs with funds needed to pay taxes, without having to sell assets.

If you have heirs interested in carrying on your business, and others who are not, a life insurance death benefit can be used to provide an equitable distribution to each of your heirs.

Creating an instant legacy

Perhaps you would like to designate your church or a favorite charity as beneficiary of a permanent life policy. In doing so, you can create an instant legacy with lasting value.

Flexible funding options, flexible funds

If you wish to put permanent life insurance in place as part of your planned legacy, you can choose to make periodic premium payments or a single premium payment.

With permanent life insurance, your policy has cash value, which you can access, and Knights of Columbus permanent life insurance provides no-cost riders for chronic and terminal illness accelerated benefits, should you need this.

I would welcome the opportunity to discuss the details involved in structuring a permanent life policy that meets your legacy goals. ♦

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for tax, legal or accounting advice. You should consult with your own qualified tax, legal and accounting advisors before engaging in any transaction.

Selling your home: staging a successful transaction

For most, your home is one of your most valuable assets. It is not uncommon for families to buy a home just once or twice. When it comes time to sell your home, you will benefit from preparing your home for sale.

Sift and sort before you sell

If you have accumulated a lot of “stuff” over the years, you are in the vast majority. When selling your home, it is a good idea to do some de-cluttering before showing your home to potential buyers. Do not wait until the moving van is at the curb to throw out what you do not plan to take with you.

Staging tips that are not expensive

According to a recent survey of real estate professionals, “77 percent of buyers’ agents said staging a home made it easier for a buyer to visualize the property as a future home.”¹ The majority of respondents said staging increased the selling price of a home anywhere from one to 10 percent.²

Cozy, but not too personal. Once you have decided to sell, think about how buyers see your home. Remove highly personal items from your decor and limit the number of items on walls and shelves. You want your home to be “homey,” but not cluttered with your memories.

Deep cleaning. The least expensive, but

most important, staging strategy noted is deep cleaning, especially kitchens, bathrooms and carpets.

Maintenance and repairs. You do not need to remodel your home, but it is important to make any needed repairs, and to have regular maintenance up-to-date. If you have started some improvement projects that are not finished, find the time or help you need to finish them.

Lighting. One high-impact, but relatively low-cost way to showcase your home is with lighting. Whether it is with lamps, recessed lights, or updated light fixtures, consider how your lighting either helps or hurts the look of your home.

Curb appeal

Another major factor in attracting buyers is the curb appeal of your home. Here again, you do not have to spend a lot of money, but you may have to spend some time.

Clean the windows, gutters, siding and shutters, as needed. Any lawn should be edged and mowed. If you have flowerbeds, plant flowers and shrubs, or trim and thin what is there. If there are too many plants in one area, transplant them to make another area look better.

Pets

You love your pets, but they likely will not help in selling your home. It is recommended you have a plan for



removing your pets, and the “evidence” of them when showing your home to potential buyers.

Less time on the market, less stress

“Thirty-nine percent of sellers’ agents stated that staging a home greatly decreases the amount of time the home is on the market.”³

Even when you make every effort to prepare your home for sale, it is not easy living in a home that is being shown to potential buyers.

You must routinely vacate for a showing, and continuously keep your home tidy and clean.

Less time on the market will keep these annoyances to a minimum. ♦

¹ <http://realtormag.realtor.org/daily-news/2017/07/07/true-impact-home-staging>


^{2,3} https://www.nar.realtor/sites/default/files/migration_files/reports/2017/2017-profile-of-home-staging-07-06-2017


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YOUR AGENT



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Family benefits & services

Knights of Columbus consistently ranks at the top of the industry in financial stability and ethics. Please call to discuss these services:

- Financial needs analysis
- Life insurance
- Tax deferred fixed-rate annuities
- Long-term care insurance
- Disability income insurance
- Retirement account rollovers
- Estate preservation
- Scholarships
- Family fraternal benefits

Contact me today for information on long-term care insurance



KNIGHTS OF COLUMBUS Financial Beacon

Knights of Columbus Supreme Office

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The document your family will be glad you left behind

In one place, you can assemble all the information your family would need to take care of basic financial matters in your absence. Your complimentary Knights of Columbus Personal Planning Workbook helps you compile details about key contacts (attorneys, insurance agents, etc.), financial accounts, bills, passwords, the location of important documents, and more.



Contact me today for your complimentary Workbook.



Contact me today for information on long-term care insurance

Insure your financial recovery along with your physical recovery



You most likely have health insurance, to cover the cost of treatment for illness or injury. But, are you *financially* covered for the possibility of an illness or injury preventing you from working for days, weeks, or even months?

Have you insured your financial recovery?

The last thing you need when trying to recover from illness or injury is financial stress. Do you have disability income insurance? Do you know what it covers?

A recent report by the Bureau of Labor Statistics on U.S. workers' access to disability income insurance stated, "In 2014, 39 percent had short-term insurance and 33 percent had long-term insurance."¹

Income Armor offers protection

During your working years, especially when you are young, your ability to make a living is one of your most valuable assets. When you are disabled, you are faced with the loss of that income, as well as the added expenses involved with your condition. Knights of Columbus Income Armor disability income insurance is an affordable way to insure you will have a continuous income.

Calculate the impact of illness or injury

Take the time to figure out the percentage of your household budget your income covers. Did you include your savings and investment goals?

Do you have adequate savings?

With any disability income insurance, there is an elimination period that must pass before benefits begin, so you need savings to cover the initial weeks or months beyond your paid sick leave, if you have any. With Income Armor, you

may choose from a 30-, 90-, or 180-day elimination period, and you'll choose a maximum benefit period of 2-years, 5-years, or until age 67.

Imagine the cost of being uninsured

As difficult as it is to imagine yourself laid-up, imagine for a moment the stress of being laid-up with no income protection.

The cost to insure your income is likely a fraction of the cost of your health insurance. And, having Income Armor disability income insurance may actually positively impact your physical recovery, by lessening your stress.

If you do not yet have adequate disability income insurance, we should meet to discuss your needs. This is a valuable and affordable benefit we have as Knights, and I look forward to walking you through your options. ♦

¹ <https://www.bls.gov/opub/med/2015/disability-insurance-plans-for-workers.htm>