



From the Desk of

Chuck Testino

Summer is an excellent time to relax, kick back and enjoy yourself. When you're free of all the activities and responsibilities that come within the "school" year, you have the ability to reflect on your goals and plans. In this newsletter I've provided not just informational articles like "FAQ: Social Security Retirement Benefits" but also thought-provoking articles like "Consider the Long-Term" that challenge you to look for options that are available, which will strengthen your financial plan. As always, I am here for you as a source of information to help you solve problems, minimize risk and plan for a great future.



Considering the Long Term

At least 70 percent of Americans will require some form of long-term care assistance during their life. Without long-term care insurance families will struggle to pay for care. If you question the need for this type of coverage, ask yourself the following questions and consider that long-term care insurance may be a solution for you if:

- ★ You are concerned about maintaining your financial independence and protecting your assets
- ★ You do not want to be dependent on your family to care for you
- ★ You want to stay in your home should you need extra assistance

With more people living longer, the need for care is more often the rule, not the exception. Long-term care insurance is a relatively new form of insurance with different products being introduced into the marketplace. Hybrid products that combined an investment or annuity with long-term care benefit riders may offer a solution to some.

Policies vary in cost and benefits so you have the ability to tailor a policy to fit your needs as well as your wallet. Some features to look for in a stand alone long-term care policy are:

- ★ Guaranteed renewable to ensure continued coverage without additional exams
- ★ Home health care coverage
- ★ Broad classification of facilities should you need skilled, respite or custodial care
- ★ Inflation rider to increase your benefit to keep pace with inflation

You've worked hard to gather your assets and maintain dignity in retirement. Why take a chance with your assets by not covering your long-term care risks when solutions are available?



As the summer heats up, here are some money-saving tips at the pump!

Stay above half- The more air space in your tank, the more evaporation of fuel especially during the summer.

Fuel up early morning- Gas storage tanks are underground. The colder the ground the more dense the gas. As the day warms, the gas expands. Bottom line, a gallon isn't exactly a gallon.

Slow on the trigger- Pump gas slowly. Hoses have vapor returns. Some of the liquid going into your tank becomes vapor and those vapors are returned to the underground holding tanks.

Whether you're tooling around town or heading out on a road trip, these tips will help you get more of every gallon of gas you buy.

— NOTICE —



We are currently in the process of looking at new office space. Look for an announcement soon. If you have any questions, please call me at (520) 323-3036



Quarterly Rapport



FAQ: Social Security Retirement Benefits



In an AARP survey released last year, only 35 percent of adults said they were confident about the continuation of Social Security benefits. Social Security needs work, however, changes to the plan do not need to be radical to be successful. In 2010 a number of proposals were presented that would put the program back on firm financial ground for the future, including changes such as raising the amount of wages subject to the payroll tax and benefit changes based on longer life expectancy. Whether your view of Social Security is negative or positive, there are many individualized questions I am asked frequently.

Is the amount on my statement the payment I will actually receive?

The amount that is reflected on the statement you receive three months before your birthday is only an estimate based on current law. The reflected amount is your average earning over your lifetime and projects current earning at a rate similar to the preceding two years. A more accurate estimate may be calculated by using the Retirement Estimator on the Social Security website at <http://www.ssa.gov>.

When can I start collecting benefits?

Benefits can begin at age 62. However, your benefit amount will be greater if you wait until your full retirement age or later.

Can I work and collect benefits at the same time?

You can receive benefits while working. However, if you are younger than full retirement age (currently 66) and earn more than a certain amount, your benefits will be reduced.

Can I stop receiving benefits to go back to work and restart them later?

By filing a "Request for Withdrawal of Application" with the Social Security Administration, you can stop collecting benefits if your request is granted. Please note that you will need to repay all payments to subsequently re-file at a later date.

How can I boost the amount of my Social Security check?

The longer you wait to start collecting after you become eligible at 62, the higher the amount you'll receive. For each year you delay, your benefits will increase between 7 and 8 percent annually up to age 70.

Live Well Now, Plan Ahead

When your life changes, your financial picture does too. Preparing for the obvious or making adjustments when events occur out of the blue will help you stay more focused and remain on track to achieving the goals you've set for yourself. I'm here as a resource to provide guidance and strategies to navigate both the planned and the unexpected.

Some of the financial goals that most people desire to achieve require a level of planning and strategizing are listed below:

- ★ College Education
- ★ Business Ownership
- ★ Retirement Planning
- ★ Estate Planning
- ★ Philanthropy/Charitable Giving

Life events that require an appointment with me to review your current position and strategies are:

- ★ Inheritance
- ★ New baby
- ★ Marriage
- ★ Divorce
- ★ Home buying
- ★ Loss of spouse
- ★ Job loss
- ★ Job transition

At Arizona Investment Alliance, I take a look at your individual situation to help you address your immediate needs versus your long-term goals. By helping you maintain balance between your current life events and your goals, your future dreams are within reach.

If a life event has changed your circumstances recently, call me for a consultation and review.



2011 Contribution Limits

| Plan | 2011 Limit | | Over Age 50 | | "Catch-Up" | | Total |
|------------|------------|---|-------------|---|------------|---|-------------|
| IRA/ROTH | 5,000.00 | + | 1,000.00 | + | N/A | = | \$ 6,000.00 |
| 403(b) | 16,500.00 | + | 5,500.00 | + | 3,000.00 | = | \$25,000.00 |
| 457/401(k) | 16,500.00 | + | 5,500.00 | + | N/A | = | \$22,000.00 |

*Note that individuals aged 50 and over are eligible for so-called "catchup" contributions, which result in a higher contribution limit. After 2008, contribution limits will be indexed for inflation in \$500 increments.