

YOUR SOCIAL SECURITY STATEMENT



By Erik Ford **managing wealth**

It is easy to criticize our government (all levels) and sometimes difficult to find places to praise, but the Social Security Administration has quietly rolled out a redesigned statement that is clear and concise, representing a real improvement. The new design was “soft-launched” on May 1.

While the previous statement was very useful, it was four pages long and did not always provide the specific information a user may be looking for. It was sent out every two years until it wasn’t, then after a hiatus of online access only, they began sending them out again. It is unclear if they will be sending out the new statements. We have encouraged our clients and readers to be proactive and create an account at SSA.gov, where you can review your statement at any time, download or print it.

The redesign reduces the original four-page statement to two pages and frankly is indeed cleaner and easier to read. It provides more detail on your earned benefits, including estimates for benefits if taken each year from age 62 to age 70. Previously

the statement only provided estimates for ages 62, 67, and 70. This level of detail can be very helpful for planning, especially as Social Security eligibility approaches. The layout is broken up by topic and includes links to other relevant government websites.

Also included and similar to the previous version, is your earnings history for Social Security and Medicare. It is always a good idea to review this history for accuracy as your benefits are based on your earnings history. While unusual, errors do occur, and correcting them may take time.

On the bottom of the first page of the new report is an important disclosure statement that the benefit estimates are based on current law. We have all heard of the dire projections for Social Security and Medicare and it is our opinion, as well as many others, that changes will have to be made at some point down the road. These systems are pay as you go, meaning current employee contributions are funding current benefit payments and the former is not fully covering the latter. There are currently three contributing workers for each retiree and that ratio is expected to drop to two to one by the 2030s. The last time the program was overhauled was during the Reagan administration and one of the key changes was moving the full retirement age to 67 from 65. It is always a difficult political subject to open, but something will have to be done. Courage is never in surplus in Washington, DC.

At the end of the new report layout is a section of “Important Things to Know About Your Benefits.” The first item listed is a reminder that Social Security is not intended to be your only source of retirement income. That is an important point to remember as we plan our other savings and investments. Changes may very well be made to further reduce benefits making the “supplemental” role of Social Security somewhat less of a supplement. Extending eligibility or increasing the taxation of benefits are also possibilities.

Regardless of what the future holds for the program, the new report is an improvement and we encourage everyone to log onto SAA.gov and review their personalized statement. And as always, stay safe and support our local businesses.

Erik Ford is the owner of Ford Wealth Management LLC in Glen Ellyn, IL. He is a CFP® certificate holder as well as an Accredited Investment Fiduciary®. Registered Representative. Securities offered through Cambridge Investment Research Inc., a broker-dealer, member FINRA/SIPC.

Investment Advisor Representative Cambridge Investment Research Advisors Inc., a registered investment advisor. Cambridge and Ford Wealth Management are not affiliated. Cambridge and Ford Wealth Management do not offer tax advice.

A Strategy Designed Just For You





Ford
Wealth Management LLC



Erik G. Ford, CFP®, AIF®
Financial Advisor
800 Roosevelt Road | Building B, Suite 413
Glen Ellyn, IL 60137
fordwealthmanagement.com
Office 630.545.2800 | Mobile 312.804.9464
erik@fordwealthmanagement.com

Registered Representative. Securities offered through Cambridge Investment Research, Inc., a broker-dealer, member FINRA/SIPC. Investment Advisor Representative Cambridge Investment Research Advisors, Inc., a Registered Investment Advisor. Cambridge and Ford Wealth Management are not affiliated.



FLOOD YOUR BODY WITH THE NUTRIENTS IT CRAVES

VISIT US ONLINE



EXTRACT JUICERY

organic • cold pressed • made fresh
Juices | Smoothies | Acai



114 N. Main St. Wheaton, IL 60148
630-868-3487 • extractjuicery.com



STAY FIT & HEALTHY AT

Ackerman SFC

\$0 JOINING FEE

- Cardio Area
- Free Weights
- Group Exercise
- Indoor Track
- Indoor Turf Field
- 3-Court Gymnasium
- Locker Rooms & Showers
- Personal Training
- Special Member Events
- And More!




AckermanSFC.com
800 St. Charles Road, Glen Ellyn

Stop in for a tour!