



Brought to you by Zachary Scardino, FIC

# KNIGHTS OF COLUMBUS Financial Beacon

Summer 2020



## In this issue:

- ◆ Knights are called to lead in times of crisis
- ◆ Lifetime income: how to rollover to an annuity
- ◆ Faith and optimism as we re-open our country
- ◆ Permanent life insurance is an asset like no other





## A MESSAGE from your agent

### Dear Brother Knight:

As Knights, we are called to leave no neighbor behind—especially in this extraordinary time.

As the coronavirus continues to impact our daily lives, it is our duty to lead our families, protect our parishes, and serve our communities, remembering always that where there's a need, there's a Knight.

I want to encourage my fellow Knights to serve and sacrifice for those around us. Many, including in our own councils and parishes, remain isolated and alone. Others, perhaps yourself, are struggling with the process of getting back to work while staying safe and protecting their family.

If you are looking for ways to help, I encourage you to reach out to support your Brother Knights, and those in your parish and community. Where you can, volunteer at food banks and kitchens, and give blood.

Above all else, remember your duty as a Knight of Columbus. When crisis strikes, we respond with care, compassion and charity. It is time for all of us to answer the call—and leave no neighbor behind.

As you and your council take specific action to support your parish and community, please let the Supreme Council know. We may want to highlight your efforts. Submit your stories to [fraternalmission@kofc.org](mailto:fraternalmission@kofc.org).

Fraternally yours,

**Zachary Scardino**

## Lifetime income: how to rollover to an annuity

An individual retirement account (IRA) and an annuity can work together in retirement planning, but they are different. An IRA is a tax deferred savings account, usually established through a financial institution to provide income during a person's retirement. A Knights of Columbus fixed-rate annuity is an insurance contract that can pay out money to you at regular intervals. Your IRA can be funded by a Knights of Columbus annuity.

Your retirement portfolio may include stocks, bonds and mutual funds that all play a part in helping you achieve a successful retirement. However, you may want to consider adding an annuity, which can complement your portfolio by providing attributes for retirement that those categories do not offer.<sup>1</sup> An annuity can provide a lifetime interest rate guarantee and an income you cannot outlive.

### Creating your own pension

With pensions becoming more and more rare, you may find yourself needing to chart your own retirement finances; and you may be wondering "how much and for how long?"

**ANNUITANT.** A person who will receive the income payments from an annuity. (They could be the owner of the annuity or another person chosen by the owner, and they are the person whose lifetime the payments are based on.)

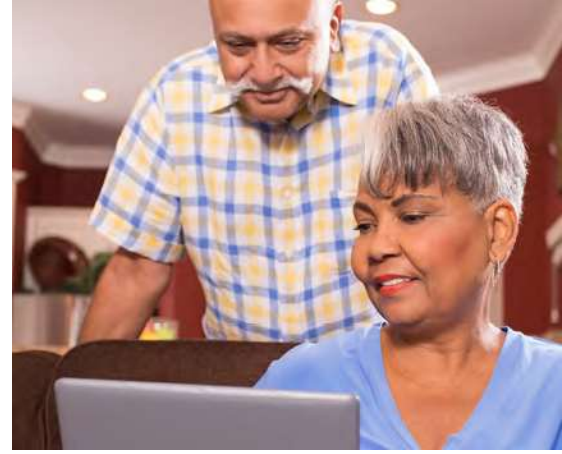
**ANNUITIZE.** When you turn your current account balance into a series of periodic income payments, either for a specific period of time or for your whole life.

**ANNUITY.** An insurance product that can offer protected lifetime income and even potentially grow your money.

**BENEFICIARY.** The person you designate to receive any remaining account balance or income payments should you pass away.

**DEATH BENEFIT.** A benefit that pays your beneficiary the remaining account balance or income should you pass away.

<https://www.allianceforlifetimeincome.org/>



Correctly executing a direct rollover of some of your savings within a qualified plan to a Knights of Columbus fixed-rate annuity is a process with which I can assist you.

Direct rollovers occur when qualified funds move from one trustee to another trustee without touching the owner. Under these circumstances, direct transfers are tax-free. Direct transfers are commonly done by mailing or wiring funds directly to the new plan provider, but on some occasions the old plan provider may mail the check directly to you, payable to the new plan provider. This still counts as a tax-free direct transfer.<sup>2</sup>

The income from your Knights of Columbus fixed-rate annuity can be structured to last your lifetime, or it can include the life of your spouse. If you don't want lifetime income, you can create an income that lasts for a set period of time—15 years, for example.

### Guaranteed security and growth

Interest earned in an IRA is not taxed until you withdraw funds, allowing your savings to grow tax deferred. Then, when you are taxed on the principal and interest withdrawn, likely during retirement, you may well be in a lower tax bracket than you were during your working years.

Combined with your Social Security benefit, a Knights of Columbus fixed-rate annuity as part or all of your IRA allows you to project a guaranteed income stream for life.

Contact me today to discuss a rollover to an annuity. ♦

<sup>1</sup>[https://www.protectedincome.org/retirement-tools/?gclid=aw.ds&gclid=aw.ds&gclid=EAlaQobChMI\\_1z1lar\\_6QIVFW-GCh3W0AYwEAMYAIAAEgK-CID\\_BwE](https://www.protectedincome.org/retirement-tools/?gclid=aw.ds&gclid=aw.ds&gclid=EAlaQobChMI_1z1lar_6QIVFW-GCh3W0AYwEAMYAIAAEgK-CID_BwE)

<sup>2</sup><https://www.annuity.org/retirement/401k-ira-annuity-rollover/>

# Faith and optimism as we re-open our country

Faith is not optimism or hope, but there is a connection between faith and how we view and approach our world. In this unprecedented time, we all wonder what will get back to normal, and what has changed forever.

## Virtual families, friends and work

Technology has provided a means of communication many of us had not relied upon before—with family, friends, school and work.

You are not alone if you have decided to maintain some new habits, now that you have experienced firsthand this new way of communicating.

## Good news emerging across the country

Our country has made great strides in our fight against the coronavirus, and we are finally starting to hear good news. America is reopening, people are returning to work, and we are learning more and more about how to defeat this virus every day.<sup>1</sup>

In May, unemployment rates were lower in 38 states and the District of Columbia, higher in 3 states, and stable in 9 states. Nonfarm payroll


Peace I leave with you; my peace I give you. I do not give to you as the world gives. Do not let your hearts be troubled, and do not let them be afraid. (John 14:27 NRSV CE)

## YOUR AGENT



## Zachary Scardino, FIC

 15311 Vantage Parkway West, Suite 195  
Houston TX 77032

 **PHONE:** (281) 931-9100  
**CELL:** (281) 541-8667

 **EMAIL:** Zachary.Scardino@KofC.org

employment increased in 46 states, decreased in 1 state and the District, and remained unchanged in 3 states.<sup>2</sup>

## Going back to work and school as a family

Each of our lives have been altered and directly impacted by this crisis. Returning to work after a pandemic is new territory for all of us, and we must have patience with ourselves and others while we navigate the process.<sup>3</sup>

For those with children at home, it may be critical to have childcare and schools open in order to get back to work. Children have been through this shutdown with their families, and they too have been without friends, routines, and familiar fun. Work toward “going back” as a family.

## Born to make history

Many families have either a 2020 graduate who was forced to celebrate “virtually” or a baby born during the pandemic who may have yet to meet their extended family in person. While this has been disappointing, there is little doubt these special people have a story of a lifetime.

## Getting back to normal may be better than ever

As pandemic restrictions ease and we look to resume something of a ‘normal’ life, it could be easy to forget the good, simple values we rediscovered while quarantined at home.<sup>4</sup>



As you take precautions to protect and care for your loved ones, take time to pause and look for how God is working. This unique time is an opportunity to lead your family, cherish your spouse, and grow together in faith.<sup>4</sup>

<sup>1</sup>[https://www.greenevillesun.com/opinion/local\\_columns/roe-reasons-for-cautious-optimism/article\\_af6d38ee-e1f4-5ecc-9852-b1247933da92.html](https://www.greenevillesun.com/opinion/local_columns/roe-reasons-for-cautious-optimism/article_af6d38ee-e1f4-5ecc-9852-b1247933da92.html)

<sup>2</sup><https://www.bls.gov/>

<sup>3</sup><https://agrillifetoday.tamu.edu/2020/05/01/returning-to-work-post-covid-19/>

<sup>4</sup><https://www.focusonthefamily.com/family-time-during-the-coronavirus-quarantine/>

*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.*

## 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

**Zachary Scardino, FIC**

15311 Vantage Parkway West, Suite 195  
Houston, TX 77032-1970



### 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.



## Face to face

can still be face to face.

*Just because we're apart doesn't mean we can't meet together.*

Contact me today for information on long-term care insurance

## Permanent life insurance is an asset like no other



Whole life insurance offers financial security for your loved ones and builds cash value; it also has tax advantages not available anywhere else. Your policy can be designed to serve specific needs and goals, and change as your life changes.

### Young and on a budget

When you are young, the need for coverage is of primary importance. It is also the time you may be least able to afford a premium. Many opt for a term life policy. But when the term ends there is neither cash value nor death benefit.

With Knights of Columbus Limited Pay Whole Life, at application you can choose how many years you want to pay a premium, from five years to age 100. The policy is then contractually paid up at the end of that period. Instead of a traditional 10- or 20-year pay life policy, the flexibility of Limited Pay Whole Life allows you to have, for example, a 26-year pay life policy because you have 26 years until retirement.

### Life in transition: your middle years

Helping with children's college tuition or assisting aging parents can be significant short-term expenses. You can take a loan from your whole life policy or use its cash value as collateral on a conventional loan.

Conversely, if you find yourself with excess funds (through

inheritance, for example), you can put your money to work in a Single-Premium Whole Life (SPWL) policy. One payment can fund a permanent life insurance policy and begin to grow additional cash value on a tax-favored basis.

### Estate planning

Depending on the size of your estate, there may or may not be significant taxes to be paid, but there will almost certainly be expenses. The death benefit from your whole life policy is tax-free, liquid, and paid almost immediately to beneficiaries. This can provide your loved ones the means to comfortably settle your estate.

### Right at any age

It is rarely too soon or too late to add whole life insurance. Please contact me to discuss a policy design that is right for you. ♦