



# *Dillard* *Financial Solutions, Inc.*

**Safe Retirement Planning**  
*"Guiding your Money to Safety"*

**3rd Quarter 2010**

Hello to all!

We have been traveling quite a bit lately, learning about what's next in the financial world.

What people used to be able to rely on is getting less and less these days! The country is in financial turmoil; we are in the perfect financial storm. According to [www.conservativeculture.com](http://www.conservativeculture.com), "U.S. gross domestic product and the government's total debt, which rose past \$13 trillion for the first time this month. The amount owed will surpass GDP in 2012, based on forecasts by the International Monetary Fund." If these numbers prove to be reasonably accurate, the United States will go from a national debt of \$13 trillion today to \$22.5 trillion by the end of FY2019.

What does all this mean? The living standards for most Americans will decline beginning in 2010 because of the demise of the dollar. We have to act, and act now to ensure that our money is safe...ALL of it! You don't have time to wait. It is time to move your money out of the market. Take advantage of the safety of indexed funds.

We love what we do because our products provide safety and opportunity on the same dollar, at the same time. None of our clients have ever lost a single dime. That is a comforting feeling in these troubled times.

Enjoy the summer! This starts our racing season. If anyone is close to any of the areas we will be in, don't hesitate to come. Visit [www.dillardracing.net](http://www.dillardracing.net) for our racing schedule!

God Bless You,

*Steve and Teresa Dillard*



**Teresa & Steve Dillard**

Moreover, when God gives any man wealth and possessions, and enables him to enjoy them, to accept his lot and be happy in his work--this is a gift of God.

*Ecclesiastes 5:19*

## Barbara & Bill Lindler



Bill & Barbara Lindler are high school sweethearts that celebrated their golden anniversary last September 5th, 2009. They are blessed with two married sons, two grandsons and one granddaughter. As of June 6th, they also added one step-grandson and one

step-granddaughter to the family. Their home is in Little Mountain, SC.

They are both retired as of May 2010, and God willing, they plan to enjoy many more years with family and friends close by.

They love to watch college basketball, football and share good times with all those close to them. Golf has been a hobby for the Lindlers for a long time and they hope to be able to play more as time and health permits.

## Chief Master Sergeant Grubbs



Chief Master Sergeant David A. Grubbs is the Chief Enlisted Manager for the U.S. Air Force Central A2, Shaw Air Force Base, South Carolina. As the Chief Enlisted Manager, he is the liaison between the commander and enlisted personnel. He advises the A2 Director on problems, concerns, at-

titudes, morale, welfare, and effective utilization of the enlisted force. Chief Grubbs promotes quality of life programs to improve living quarters, dining and recreational facilities. He also counsels Airmen and noncommissioned officers on a variety of matters and evaluates the quality of noncommissioned officer leadership, mentorship, management and supervisory training.

He is married to his wonderful wife of 28 years, Beckie. They have three children David 27, twin daughters Ashley 24, Whitney 24, a grand-daughter Chloe 4, grand-son Michael 2, and two golden retrievers Abby and Jake.

## Donald & Eloise Counts



Donald and Eloise Counts are a young senior couple living "in the country" near Little Mountain, SC, (the last "mountain" in the Blue Ridge chain), just close enough (but not too close) to Columbia. They enjoy a busy life-style of work and play in their friendly community, and are very active in their church -- Mt. Tabor Lutheran.

Family and friends are an important part of their life, and together they have 4 children and 2 grandchildren. They thoroughly enjoy entertaining, and Donald's barbeque and slaw are always the stars of a big party every fall.

Donald owns D & K Construction and retired as an equipment salesman from Fairfield Tractor Company. Eloise retired as Executive Secretary to the President of Pacific Nuclear Systems.

Retirement has given them the chance to indulge another love -- travelling -- and they do roam far and wide. All told, they live a good life -- a life of deep faith, love, and neighborliness.

## Happy Birthday!



Jul 2nd  
Jul 2nd  
Jul 3rd  
Jul 7th  
Jul 22nd  
Jul 29th  
Jul 30th  
Jul 30th  
Aug 5th  
Aug 2nd  
Aug 7th  
Aug 9th  
Aug 11th  
Aug 22nd  
Aug 25th  
Aug 27th  
Aug 28th  
Aug 30th  
Sep 1st  
Sep 3rd  
Sep 5th  
Sep 12th  
Sep 13th  
Sep 27th  
Sep 29th

Jerry Jensen  
William Goff  
Jeff Rogers  
Ronald Grant  
Donald Frost  
James Chandler  
Theodore Kreipe  
Buzz Barch  
Tammy Feather  
John Scott  
Theodora Nicholas  
Laura Holladay  
Matthew Greene  
Forman Irick  
Staci Toppi  
Kathy Lathren  
Estelita Canning  
Barbara Lindler  
Jerald Hancock  
Elizabeth West  
Luella Singleton  
Lurlyn Tucker  
Daulton Martin  
Thomas Sorenson  
Sherra Scott



# Annuities vs CD's

Annuities and CDs (bank certificates of deposit) are similar in that they are safe, secure investments with guaranteed rate of returns based on interest rates, both issued by large financial institutions, CDs issued by banks, Annuities offered by insurance companies, but they both possess inherent differences as well.

The big differences are that while Annuities offer everything CDs offer, they carry several advantages.

1. Generally Higher returns
2. Tax-Deferral
3. Liquidity

CDs do have FDIC protection to guard against Bank or banking industry failure, but Annuities also have safety measures put in place by the state to ensure Insurance companies have reserve pools in place. Insurance companies may also be vetted for financial strength by obtaining their rating from objective rating firms -- Standard & Poor's, Moody's, A.M. Best or Duff & Phelps. The more solid the rating usually equates to a more solid financial backbone of Insurance

Company.

## **Higher Returns:**

Annuities, like CDs, are hinged to interest rates. But when rates are low so are CD returns whereas annuities have a minimum guarantee in place, usually 3% or 4%. Your investment will never dip below the guaranteed minimum interest rate during times of falling or low interest rates.

Again, low interest rates mean CD returns will be low as well. To offset the problem of low or falling interest rates, insurance companies equip annuities with guaranteed minimums. This is an agreed minimum rate of interest so that your investment is assured not to fall below the minimum performance even if CD rates do.

## **Tax-Deferral:**

You pay annual taxes on CD interest earned without being able to withdraw funds until your investment term is over. With annuities, there is also a set term, but the earnings are tax-deferred. You only pay taxes on interest earned when money is withdrawn. So with annuities

the deferred tax on your interest remains in the investment earning you more and more money, instead of being paid out to state and federal tax agencies on a yearly basis.

## **Liquidity:**

CDs do not allow you to withdraw any monies during term. Period. Annuities have provisions that allow you to withdraw money, generally 10% of your account value annually plus many contracts allow you to remove the earned interest on a monthly basis. Several other contract provisions allow you access to all of your funds such as in the event you are hospitalized, undergoing a life-threatening illness, subjected to a permanent or extended stay in a nursing home, or other major calamities that affect you economically. In addition, annuities can be structured to pay-out for the life of the owner over a fixed term such as five or ten years, thereby spreading out your tax-burden and providing enhanced income security. In short, Annuities offer enhanced flexibility.

See for Yourself!	Bank CD	Annuity
	Loan privileges	No <b>YES</b>
	Flexible premium	No <b>YES</b>
	Avoidance of probate costs and delays	No <b>YES</b>
	Withdraw for dollar-cost-averaging opportunities	No <b>YES</b>
	Withdraw for required minimum distributions, penalty free	No <b>YES</b>
	Potential Social Security tax advantage	No <b>YES</b>
	Nursing Home Benefit	No <b>YES</b>
	"Issue no money" capability	No <b>YES</b>
	Bonus available on premium	No <b>YES</b>
	Guaranteed lifetime income option	No <b>YES</b>
	Potentially high yields	No <b>YES</b>
	Tax-deferred Growth	No <b>YES</b>



# TOP 10

## Retirement Planning Mistakes

The timing couldn't be worse: The largest generation in our history is approaching retirement age during the worst economic downturn since the Great Depression.

The need to build retirement security has never been greater. But one of the main obstacles is the current concept of retirement--the idea that people should stop working in their early sixties and take it easy. The number of years that you'll have to fund after you stop working is one of the most important variables affecting retirement security. Paying for retirement has become more challenging in light of recession-ravaged 401(k)s and plunging housing values. And those resources must be spread over a growing number of years.

There are no magic bullets or easy solutions. Yet in my work as a journalist and author covering retirement and aging, I'm often struck by the wealth of good ideas that experts have identified for achieving a satisfying, secure retirement---even in hard times.

These aren't get-rich-quick investment gimmicks or schemes to make millions working part time from your kitchen table. Rather, the best ideas

focus on basic blocking and tackling---getting the most from the financial tools already at hand, and making smart decisions about work and lifestyle.

For starters, you should avoid these 10 common mistakes that prevent many people from building retirement security.

1. No planning. Most Americans don't have a good idea of how much they need to save for retirement; only 44 percent of workers responding to one survey said they had tried to calculate what they would need, and an equal number simply "guess at how much they will need" for a comfortable retirement.

2. Underestimating longevity. Sixty percent of Americans live longer than they expect. At age 65, a woman can expect to live to an average of 84; the average for men is 81. But those figures are averages--many of us will live much longer. Planning to fund only to the average figures can leave you impoverished in old age.

3. Retiring too soon. Working even a few years beyond what you've planned can pay a surprisingly large bonus in retirement security. Age 66 is

## Why choose National Ethics Bureau licensed agents?



The National Ethics Bureau™ (NEB) is a membership organization of financial profes-

sionals who have successfully passed a comprehensive series of background checks and have agreed to maintain NEB membership standards. All members are admitted into NEB's online national registry, where consumers can view a member's approval status and professional profile. NEB is not a financial designation, nor does it sell or endorse any financial products.

All NEB members have successfully passed our annual seven-year background checks for criminal, civil and business violations.

The background check includes:

*Criminal Background Check*  
*Professional License Check*  
*Accredited Designation Check*  
*Civil Background Check*

**In Today's Financial World...  
TRUST IS A MUST.**

Now, more than ever, there is an increased need to know who you can trust in the financial services industry. By choosing an approved member of the National Ethics Bureau™, you will gain the added assurance of knowing that you are working with an advisor who has successfully passed our Ethics Check System™ and has agreed to maintain our membership standards.

**Carolina**  
September 2 - Southern Miss  
September 11 - Georgia  
September 18 - Furman  
September 25 - @Auburn





**Clemson**  
September 4 - North Texas  
September 11 - Presbyterian  
September 18 - @Auburn

the typical retirement age (known as normal retirement age, or NRA) for most people, as defined by Social Security, but about half of all Americans don't wait that long. You can avoid the early-filing benefit reductions imposed by Social Security by working until your NRA. At the same time, you can keep contributing to your retirement-savings plan, building additional balances that can be put to work in the market. And every additional year of working income is a year in which you're not supporting yourself by drawing down retirement balances. The upshot is that staying on the job a few additional years can boost your income in retirement by one-third or more.

4. Playing the dinosaur. Keeping or finding a job is challenging for anyone in tough economic times, but it's harder if you're over age 50--a reality that is colliding with older workers' need to stick around. Many older workers haven't kept their technology skills current or are too intent on replicating their last job, rather than being open to new career pathways.

5. Inadequate saving. The average U.S. household has managed to save just \$60,000 toward retirement. The average contribution to a workplace saving plan is 7.5 percent of salary--about half the rate recommended by most financial planning experts.

6. Too much risk. Our exposure to stocks is too great as retirement approaches. Nearly one in four investors approaching retirement age (56 to 65) had more than 90 percent of their account balances in equities at the end of 2007. That's far too high, and older investors suffered huge losses when the market crashed in 2008.

7. Premature cash-outs. About 45 percent of workplace retirement

plan participants cash out their 401(k) balances when they change jobs rather than roll them over to new employers or IRAs. That disrupts the long-term growth of their assets. Also, borrowing and hardship withdrawals are allowed under the rules, and people have been tapping into their balances somewhat more frequently during the recession.

8. Ignoring annuities. Americans without traditional pensions face the challenge of meeting retirement expenses with a combination of Social Security and savings. But one overlooked option is purchasing a do-it-yourself pension-- otherwise known as an income annuity. Income annuities haven't gained widespread popularity as financial tools for retirement, mainly because people dislike losing control of their assets and worry that they won't "make back" the large sum of money that must be invested upfront. However, when used properly, an income annuity is an effective tool for covering basic living expenses and can provide effective insurance against the risk of out-living your money.

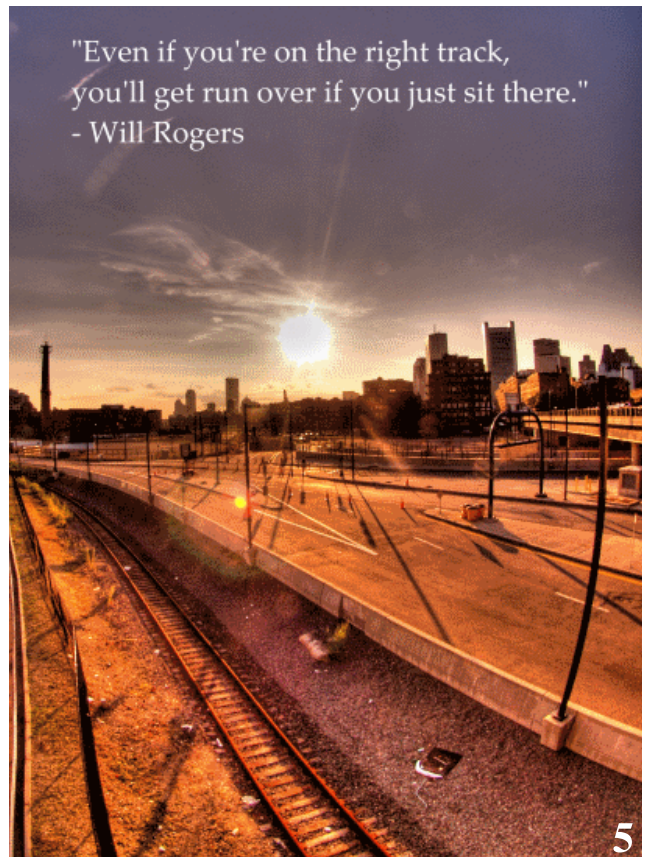
9. Gambling on health expense risk. Even for those on Medicare, health-care costs are eroding spending power and economic security; out-of-pocket expenses for people in retirement have jumped 50 percent since 2002--and that doesn't include the possible need for long-term care insurance. Health-care costs pose one of the most serious risks to retirement security, so it's

important to understand how to plan for this major expense, navigate the system and manage your spending.

10. Ignoring advice. Even before the economic crash, the boomer retirement knowledge gap was large, and the need for smart planning has only become more acute in hard times. Do-it-yourself planning certainly is an option, but a little help from a professional advisor can be well worth the time and money. The rationale for hiring a trustworthy advisor is simple: Money spent now could make a big difference in helping you achieve a secure, happy future retirement. I recommend getting a fee-only advisor whose counsel won't be swayed by the need to earn commissions or royalties to any particular financial product.

SecondAct contributor Mark Miller is the author of *The Hard Times Guide to Retirement Security: Practical Strategies for Money, Work and Living* (Bloomberg Press/John Wiley & Sons, June 2010)

"Even if you're on the right track,  
you'll get run over if you just sit there."  
- Will Rogers





# What's Happening in the Postal World

## NAPUS (National Association of Postmasters of the United States) Convention Myrtle Beach, SC, May 2010



Postmaster Renee Hulin



National President of the Postmaster's Association Paul E. Butler, Teresa Dillard and South Carolina President Robbie Ann White.

## 2010 NAPS Georgia State Convention Augusta, GA, June 2010



Sylvia Johnson & Teresa Dillard



Above: 2010 NAPS State President Marvin Sykes and wife Helen.

Left: Sylvia Johnson, John Foran and NAPS Branch 248 President Phoebe Jordan



NAPS National Secretary/Treasurer Jay Killackey & John Foran



Left: NAPS Augusta Branch President Greg Wilson & Teresa Dillard



Georgia State 2009 NAPS President Pat Kiphart & Teresa Dillard



# What's Happening in the Postal World



## NAPS Capitol Atlantic Area States Convention

Myrtle Beach, SC, June 2010



Steve & Teresa Dillard, Steve & John Foran



MD/DC President Theodore Marshall,  
Teresa Dillard and Carolinas Bi-State  
President of Branch 936 Joseph Winters



Steve Dillard, Capitol Atlantic Area  
President John Geter and Teresa Dillard



Teresa Dillard and NAPS  
National Vice President  
Louie Atkins



Leon Amos & John Foran



Starr Postmaster Julia Cash, Teresa Dillard and Fountain  
Inn Postmaster Tammy Gadbury



NAPS Chapter 225 President Darold Dantzler,  
Steve Dillard and John Foran

**Sudoku Solution**  
from page 10

3	7	1	9	2	4	8	5	6
5	6	9	3	8	7	4	2	1
8	2	4	5	6	1	7	9	3
4	9	7	2	1	6	3	8	5
2	3	5	4	9	8	6	1	7
6	1	8	7	3	5	9	4	2
9	5	2	6	4	3	1	7	8
7	8	3	1	5	9	2	6	4
1	4	6	8	7	2	5	3	9

**“The art is not in making money, but in keeping it.”**  
- Proverb

**“Every day I get up and look through the Forbes list of the richest people in America. If I’m not there, I go to work.”**  
- Robert Orben

# DOW MAKES HISTORY BY LOSING 9.2% IN 1 HOUR AND 46 MINUTES

*The market is scaring people. Many are looking for an alternative. We have a powerful solution.*

On May 6, 2010, in just under two hours of activity, \$1 trillion in value was lost, before about 97 percent of it was recovered. Never in the history of the stock market have we experienced this large of a loss this fast. In just 15 minutes, 698 points were lost of the total Dow decline of 998.5.

Accenture dropped from \$42.17 per share to one cent before recovering. Proctor and Gamble fell 37 percent, and 3M fell 25 percent in the blink of an eye.

Have you ever had your broker say, "Don't worry, I'll keep an eye on things, and if there's a problem, I'll call you." We now live in a world of technology that makes that statement obsolete. It would have taken longer to dial the phone and wait for an answer than it did for Accenture to be wiped out.

The stock market is much like Las Vegas, and on any given day or at any moment is capable of tremendous damage. People have gotten away from the fundamentals of buying good companies and instead, are buying the market through mutual funds that often have so many holdings that the owners have no idea what companies they are in. If they do happen to know this month, within a few months it all changes in the volatile crap shoot the market has become.

The market is attractive because people want instant gratification. They want wealth now instead of getting rich slowly, systematically, and with some sort of certainty. Their attitude is: "I want my home, car and vacation now; and if I can't

afford it, I'll just borrow."

For the number of people who make big money in the market quickly, there are thousands more who lose their shirts trying. For me, the market represents a place of opportunity and tremendous risk. To mitigate the risk and keep the market's opportunities intact, I participate through a financial product that is so very appropriate for the times in which we live.

The fixed indexed annuity is power and peace of mind in one strategy. Why do we need protection from the market? Because the market keeps making history in ways no one prior thought possible, and the history its making is not good.

Why did the market fall almost 1,000 points in a few hours? There are many conjectures of trades made in error -- the machines took over, Citibank made a huge error, the Exchanges messed up. However, none of these explanations have proven true. It appears the cause of this temporary \$1 trillion loss was once again the news! Greece is a picture of what may be coming in America if we don't mend our ways. Our spending is out of control; and eventually, like Greece and Iceland, we will pay the price. Just the thought of what this would mean for America sent the market tumbling.

I work hard for my money; and if I end up in retirement with millions, it will not be because I risked my life's work in the market and got lucky. No, it will be because I protected my life's work, while participating in the market with some of that labor represented in my investments.

I have never lost any money in any of the many fixed indexed annuities owned by my family members and I. We have made gains as high as 22 percent, and still have these gains in our accounts. All the gains we have made, whether they were 3 percent or 22 percent or somewhere in between, were made on all the money in the accounts since when you can't lose, you never have to waste time recovering. I would rather have a 7 percent gain than a 20 percent recovery any day. And, yes, over time, my safe and powerful Turtle will win the race, while taking no market risk.

What is it that people want that is not fulfilled inside an fixed index annuity? People tell me they can't afford to lose anything, they need returns to fight inflation and provide for a secure income one day. They want to be in control, and they want liquidity.

Do mutual funds offer all these features? No.

Do stocks? No. In 1999 the Dow Jones was at 10,000 points. In 2009, it was at 10,000 points; and I believe in 2019 it will be at 10,000 points. What will keep it there? Two things: our country's massive debt that by then will have grown from \$12 trillion to \$20 trillion, and the fact that 77 million baby boomers will no longer be in their prime spending years, which is what had driven the stock market and real estate markets to bubbles that have both burst. Get used to life after 2007, because we are now living in a new normal. Market and real estate values will not return to those levels for a long



time. In 1990, Japan's Nikkei was at 37,000 points. Today, 20 years later, it's at 10,000 points, a drop of 75 percent. Real estate in Japan today is still off 63 percent from its 1990 highs. Why? The population is aging and spending less. 70 percent of our nation's GDP is driven from consumer purchases. We are deleveraging, paying down debt due to fear, and not spending at the rate we once were.

Do bank CDs? No. Currently the national average for a one-year CD is .71 percent and a five-year is 2.13

percent.

Do bonds? No.

How about real estate? Bill Gross, CEO of PIMCO Bond Funds says that he believes homes will soon be viewed as a place to live and not as investments.

The old saying that to make a good return you have to risk your money is no longer true. I make great returns without risk inside my fixed indexed annuities, and so do thousands of my clients. I know they love their annuities because they tell me so. It is very gratifying

to hear from my clients that when they hear on the news about a market dip, it's just information to them instead of a personal financial crisis and they are glad all over again they have a fixed indexed annuity.

Buy a fixed indexed annuity for yourself and you will find a life of happiness that you may have thought was unattainable in the volatile world in which we live.

*Karlan Tucker*  
*Tucker Advisory Group*

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*Are you fabulous at making fruitcake?  
A master of manicotti? Crafty with cookies?*



We are planning on creating a cookbook including recipes from YOU, our clients! If you have a recipe you'd like to share for the cookbook, please send it to: [dillardfs@aol.com](mailto:dillardfs@aol.com)

Additionally, you call us at **(803) 499-6623** or send your recipe to:  
Dillard Financial Solutions, Inc.  
2381 Hwy 441, Suite C  
Sumter, SC 29154

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*Kudos!*



We would like to congratulate Lorraine "Toby" Horton on her recent accomplishment of receiving her professional insurance license.

Congratulations are also in order for John Foran for recently receiving his professional insurance license as well as taking over our Georgia Regional office.



**Congratulations and best wishes!**

# Summer Word Search

Find and circle all of the summer words that are hidden in the grid. The remaining letters spell an additional summer item!

ANTS  
AUGUST  
BARBECUE  
BASEBALL  
BEACH  
BEES  
BICYCLE  
BLUE SKY  
BOATING  
BREEZE  
CAMPING  
FISHING  
FLIES  
FLOWERS  
GARDENING  
GOLF  
GREEN GRASS  
HAT  
HIKING  
HOLIDAYS  
HOT  
ICE CREAM

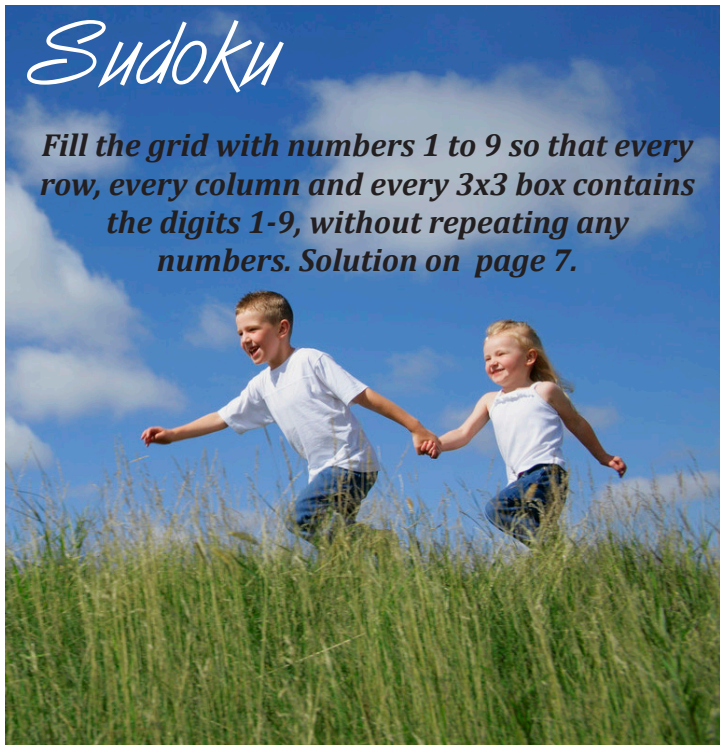
JULY  
JUNE  
MOSQUITOES  
NO SCHOOL  
PICNIC  
ROLLER BLADES  
SANDALS  
SKATEBOARD  
SOCCER  
SOLSTICE  
SPRINKLERS  
SUNBURN  
SUNGLASSES  
SUNSCREEN  
SUNSHINE  
SUNTAN  
SWEAT  
SWIMMING  
UV RAYS  
WASPS  
WATER FIGHTS  
WATERMELON

J U N E S T S S S S Y K S E U L B M  
U S M E A U Y E O U H I K I N G S A  
S M W E E A N L U B N W A S E Y R E  
U T W I R R S G I C A B L N A R E R  
N S H V M T C C L T E A U D T V L C  
T Y U G I M Y S E A D B I R S S K E  
A G L C I C I R N N S L R R N D N C  
N R E U L F M N A U O S E A R G I I  
O E A E J E R S G H S W E A B N R C  
S E D A L B R E L L O R O S R I P R  
C N A O F L O G T L T B T E E T S E  
H G N I H S I F F A E O A E E A H C  
O R C A M P I N G T W T H B Z O C C  
O A C I N C I P A W A S P S E B A O  
L S F L I E S K M O S Q U I T O E S  
T S U G U A S I L L A B E S A B B O  
G N I N E D R A G S U N S H I N E N

				2		8		
5		9						
					1	7	9	3
							8	5
	3		4		8		1	
6	1							
9	5	2	6					
						2		4
		6		7				

## Sudoku

Fill the grid with numbers 1 to 9 so that every row, every column and every 3x3 box contains the digits 1-9, without repeating any numbers. Solution on page 7.





# FEDERAL NEWS

## Does Rolling Over Your TSP Account to a Traditional IRA Make Financial Sense?

Many federal employees who are getting close to their retirement date or who are contemplating leaving federal service face the question of what to do with their Thrift Savings Plan (TSP) accounts.

Consider the potential advantages of a TSP rollover:

- The TSP offers a limited number of investment choices. The five TSP funds - the C, S, I, F and G funds - while a fairly broad-based choice of stock and bond funds - are still somewhat limited in overall diversification. By rolling over the TSP to a self-directed IRA, the TSP account owner will have more investment options and be able to potentially diversify their portfolio.
- There are more withdrawal options and flexibility in withdrawing money with a traditional IRA compared to the TSP withdrawal options. For example, many IRAs allow their IRA owners to withdraw the money as needed in a "non-systematic" manner. On the other hand, the TSP has a set number of ways in which monies may be withdrawn from a TSP account.
- Having all of one's retirement accounts in a single IRA - this includes one's TSP, monies from a 401(k) retirement plan or a 403(b) tax sheltered annuity - make it easier to monitor one's investments,

set appropriate asset allocations, and rebalance the account as needed. It is also easier to handle minimum required distribution after the TSP account owner becomes age 70.5. With traditional IRAs, one's required minimum distribution (RMD) is based on the total amount in all one's IRAs. If a retiree also has a TSP account, a 401(k) retirement plan, and/or a 403(b) tax-shelter annuity account at age 70.5 and later, then the retiree must calculate the RMD separately and take the money from each type of account.

- An IRA has estate planning opportunities, especially with respect to non-spousal beneficiaries such as children. A child who inherits an IRA can take tax-deferred distributions spread over his or her lifetime. While the TSP allows non-spousal beneficiaries to roll over their inherited TSP accounts to an inherited IRA which will allow beneficiaries to receive lifetime income from their inherited IRAs, TSP rollovers to "inherited IRAs" can be tricky. A TSP account owner could therefore best off handling the transfer from the TSP to their own "rollover" IRA himself or herself rather than leaving it up to his or her heirs to handle an inherited TSP account rollover to an inherited IRA.

## 2011 Federal Pay Raise: Obama Proposes 1.4% Increase

President Obama proposed yesterday a 1.4 percent 2011 federal pay raise for civilian workers in the General Schedule.

The proposed federal pay raise comes as part of the fiscal 2011 budget the White House released. The pay increase provides pay parity with uniformed military service members who would also receive a 1.4 percent pay raise under the proposal.

"We are going to work very hard with Congress to adjust the 1.4% pay raise upward," said American Federation of Government Employees (AFGE) National President John Gage. "While we are pleased that the administration recognizes the importance of pay parity between civilian employees and the military, a 1.4% pay raise will do nothing to close the remaining pay gap between federal and non-federal salaries," Gage continued.

While National Treasury Employees Union (NTEU) President Colleen M. Kelley applauded the White House's inclusion of pay parity, she also noted that the proposed 2011 federal employee pay raise is "very low."

The determination of the annual federal employee pay raise is a long process, and the final figure won't be released likely until December 2010.

Due to a slumping economy and increasing federal deficits, this year the federal pay raise process may be subject to intense political pressure on Congress and the White House.

# *Come join us for our summer picnic!*

And bring a friend!

**Saturday, August 14th • 1:00pm**  
Seawell's Banquet & Reception Center  
1125 Rosewood Drive, Columbia, SC

**RSVP: (803) 499-6623**



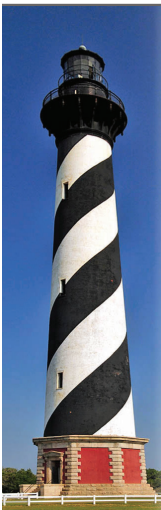
## **Happy 4th of July!**



### **3rd Quarter Holidays**

July 4th  
September 6th  
September 11th  
September 23rd

Independence Day  
Labor Day  
Patriot Day  
Fall Begins



*Dillard  
Financial  
Solutions, Inc.*

"Guiding Your Money to Safety"

[www.dillardfsinc.com](http://www.dillardfsinc.com)

#### **Georgia Region:**

6601 Cedar Mountain Rd  
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