

4 WAYS TO REDUCE EXPENSES AND SLASH SPENDING IN RETIREMENT



RETIRE WISE

Everyday essentials like food, clothing, utilities, and housing have become more expensive, leaving many retirees looking for simple ways to make their dollars go further. Below are four considerations for seniors seeking to improve cash flow and make meaningful spending cuts to improve cash flow in retirement.

1. **Pay off the mortgage.** Mortgages are often the largest monthly expense for people in retirement. While paying off a mortgage can free up a considerable amount of cash each month, how much you actually save depends in part on your tax situation, especially if you're still getting the full tax deduction for your mortgage interest. Keep in mind, principal and interest are only one part of the home ownership equation. You will still need to set aside money to cover annual property taxes and homeowner's insurance premiums. Another option to consider to improve cash flow is to downsize to a home that may be a better fit for your budget.
2. **Ditch the second car.** Many couples find that they don't need to maintain two vehicles when they're no longer commuting to work, especially if they live in areas with robust public transportation or access to rideshare services. Downsizing to one vehicle can save hundreds each month on payments, insurance, gas, and maintenance.
3. **Travel off-peak.** Travel costs are on the rise. Airline tickets jumped 25% over the last year — the biggest rise since tracking began in 1989. Retirees with more flexible schedules can take advantage of off-peak travel to help reduce travel costs and save on everything from airfare, hotels, and cruises to guided tours, rental cars, and more. In addition to lower costs, off-peak travelers generally experience fewer crowds, which may result in a more immersive and enjoyable travel experience.
4. **Follow a tax-smart strategy.** Taxes and inflation can pose significant threats to your income in retirement. Taxes reduce the amount of income you're able to keep while inflation reduces your spending power. Granted, there's little that individuals can do to control inflation. However, there are many ways to help manage the impact of taxes on your income in retirement. Because taxes in retirement can be complex enlisting the help of experienced tax and financial professionals can help ensure you have a tax-efficient strategy in place that's tailored to your situation and goals.

To learn more about strategies for creating a lifetime income in retirement, call the office to schedule a time to talk.

It's Open Season on Medicare Scams

Medicare scams have not only become increasingly sophisticated but are on the rise—just in time for the program's annual Open Enrollment period which runs from October 15 through December 7, 2025. Below are tips from the Centers for Medicare & Medicaid Services (CMS) to help beneficiaries and their loved ones protect against scams and medical identity theft.¹

- Beneficiaries of **Original Medicare** (also called Traditional Medicare) can choose to receive Medicare Summary Notices electronically or in the mail. The notices provide a detailed list of health care services, supplies, or equipment received, as well as what beneficiaries were charged and how much Medicare paid. Review each notice to make sure that you and Medicare weren't billed for anything you didn't receive. If you notice inaccuracies, call 1-800-MEDICARE (1-800-633-4227) to report them.
- Those with **Medicare Advantage Plans** or other Medicare health plans can check the statements received from their plan administrator and report any errors to that plan provider.
- Watch for **telltale signs** that someone may be trying to scam you, including:
 - Promises of free items or services, such as medical equipment, to get you to share your Medicare number over the phone, via email, or online
 - Pressure to switch your Medicare plan
 - Text, email, or phone messages asking you to renew, upgrade, or verify your Medicare card, often subject to a processing fee
 - Threats to cancel your coverage if you don't immediately verify personal information
 - Claims that you're eligible for a refund, including a request to verify your Medicare number and banking information

Remember: Medicare will never try to sell you anything or show up at your door. A Medicare representative will only call and ask for personal information in limited situations (such as returning your call after you've joined a plan, reported fraud, or left a message for Medicare).

1) "Protecting Yourself from Fraud." Medicare.gov,

<http://www.medicare.gov/publications/10111-protecting-yourself-from-fraud.pdf>.

Accessed 8/20/25.



Scott E Holstein

seh@prudentwm.com

(800) 458-9330

Prudent Wealth Management, Inc.
Wealth Manager | Financial Advisor

<http://www.prudentwm.com>



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