



## *The Three Stages*

*By Founding Partner Chris Caldwell,  
CFP®, AIF®, AEP®, CRC®, MBA, ChSNP*

### RETIREMENT READINESS

We ask friends, family, and clients to provide many of the topics with which we write and one that I have probably had the most conversations this year revolve around how to prepare to retire. If you have not heard the term Peak 65, this is when the Baby Boomer retirement peak begins. According to the U.S. Census Bureau's population projections, about 12,000 people will turn 65 every day in the next year. That's about 4.4 million in 2024. And by 2030, all boomers — those born from 1946 through 1964 — will be 65 or older. This means one in every five Americans will have reached the traditional retirement age.

WOW! No wonder I am getting more questions about retirement prep. With this group, discussing savings strategy in 401k & HSA plans is not the primary topic with the end of the "work" tunnel approaching. My conversations turn to all the other things to think about for when the paychecks stop.

Here is a list to consider:

#### **Social Security**

It is not as simple as selecting an age. We run optimal strategy calculations to provide the couple/individual with maximum lifetime benefit based on your personal needs & circumstances.

#### **Pension**

Many who have pension benefits are offered several options for distributions. Like with Social Security, we will run calculations to provide the optimum benefit for their needs.

#### **Retirement Account(s)**

There are a lot of subtopics we assist in this category, from correct asset allocation to distribution strategy to tax impact to beneficiary decisions.

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## Donations

### Charitable Giving

By Amy Parrish,  
AWMA®, Senior Financial Advisor

#### ITS THE MOST WONDERFUL TIME OF THE YEAR

The holidays and the end of the year are upon us. A time when we tend to get sentimental, and generous, and frantically look for ways to reduce our taxes. A lot of people put off charitable giving until year-end when they realize it can help with their taxes. It is better to give than receive but are you going about it the right way?

Charitable giving should be incorporated into a financial plan to ensure it accomplishes your philanthropic pursuits, and you receive the most benefit. One of my clients, “Mr. and Mrs. Stockgivers,” stressed each December trying to decide which charities should receive their donations of stock. I suggested creating a Donor Advised Fund (DAF). They can contribute the stock to the DAF at any time to get the tax deduction and then take their time deciding how to distribute the funds to non-profits. Until the funds are distributed, they remain invested with potential for growth. This can also be a great vehicle to get the family involved and create a legacy of giving.

Another client, “Mr. Distribution,” has a large Individual Retirement Account and thus a large required minimum distribution (RMD) each year. He gave a lot of money to charities but not from his IRA. We recommended that he give a portion of his RMD to charity so that it would not count as taxable income (current rules allow you to give up to \$100,000 of an RMD to charity). I facilitated a meeting with him and the director of our local

community foundation. He created a scholarship fund in memory of his daughter and directed a portion of his RMD to it and several other charities.

Each of these clients was generous but didn’t have a charitable giving plan. Our planning and experience helped them develop a plan that made the best use of their resources and alleviated stress.

#### ITEMS TO CONSIDER IN YOUR CHARITABLE GIVING PLAN

1. Which assets are best for you to donate?
2. How much can you afford to donate?
3. Is a qualified charitable distribution (QCD) appropriate?
4. Should you bunch your charitable gifts into one tax year?
5. Consider a donor-advised fund (DAF).
6. Can your financial professional introduce you to philanthropic experts to help you make the most impact with your gifts?

I believe we get more than we give when we are generous. Let us help you create a plan so that the most wonderful time of the year happens more than just in December.



## Finances

### Saving for the Future

By Will Divers,  
CTFA®, Financial Advisor

#### THE POWER OF A PENNY

“A penny saved is a penny earned.” We can agree that we have heard this saying, but do we live by it? Do we think of the ramifications of saving money?

Saving money is hard! There is no doubt about that. Especially in today’s age high inflation environment, it is even harder than ever to save. I encourage people in hard times to try and put something away on a monthly basis. However small it be, every little bit counts.

As a country, we are behind in our saving for retirement. For instance, in an article published by CNBC, the average 401(k) balance for a millennial (Date of Birth 1981-1996) is \$44,900. That is

shocking. Even more shocking, is that the median balance is \$15,000. This means that more than ever, we need to prioritize setting some money aside.

Start small. Maybe try \$100-\$200 a month. Then go from there. Maybe the next month, try \$300. Compete against yourself to see how much you can put into retirement and savings. If we do the little things like “saving the penny”, we can set ourselves up in the future to reap the rewards of savings.

For questions on how to the most of your income and save for the future, please give us a call and we will be happy to discuss.

[www.cnbc.com/2023/06/03/fidelity-how-much-americans-have-in-their-401ks-at-every-age.html](http://www.cnbc.com/2023/06/03/fidelity-how-much-americans-have-in-their-401ks-at-every-age.html)

## Tools

### Technology Corner



**Audible:** Audible is an audio entertainment app that includes podcasts, audio books, and original productions. Users can create collections, wish lists, and build an extensive library of genres including self-help, true crime, kids’ books, nonfiction, and many others. Audible includes offline listening as well as the option to set a timer before you fall asleep or when you’d like for the book to stop playing. Audible is an Amazon company so it is accessed by logging into your Amazon account. Audible is \$14.95 with a 30-day free trial.



**Freedom:** Freedom is an app that’s all about helping users focus without the distractions of technology. Freedom blocks apps and websites from being accessed so users can concentrate on more important tasks. Users can create scheduled time blocks sessions, on-demand sessions, and recurring sessions. Freedom also includes audio that helps users stay focused and productive. There is no limit to the number of devices connected to Freedom so users can remain focused across all devices. Freedom is \$8.99 per month for a monthly subscription or \$3.33 per month when you choose the annual subscription option.

## Contributing Writer

### *Making a Difference*

By Darrell Huckaby,  
Syndicated Columnist and Author

#### READING TO CHILDREN IS A GREAT INVESTMENT

For forty years of my life, I was an educator. The last twenty or so of those years I taught Advanced Placement United States History to extremely intelligent and extremely motivated eleventh graders. As you might imagine, I wrote more than my share of college recommendations—particularly after our state schools here in Georgia became so competitive, thanks in great part to the Zell Miller H.O.P.E. Scholarship program.

During that time many parents would ask me the same question. What can I do to help my child get accepted to the best colleges next year. My answer was always the same.

*Start reading to them as soon as they are born.*

The reaction was almost always the same. A puzzled smile. A knitted brow. And then the comment, "It's a little late for that, isn't it?"

Exactly.

But trust me, being well read is one of the best preparations a child, or young adult—or old adult, for that matter—can have if they want to be successful in academic and other pursuits in life. My daddy, for instance, was born in 1911 and did not graduate from high school, but he was one of the most well-read people I have ever known, and one of the most knowledgeable.

He taught me how to read from the pages of the *Atlanta Constitution* when I was a small child, long before I started school. I was raised in the cotton mill village of Porterdale, in a four-room shotgun

house. We didn't have a bathroom in our home until I was twelve, but we always had books. I learned from an early age to treasure those books and that they could take me anywhere and teach me about everything.

Early on it was the Little Golden Books. I learned about doing my share of work around the house from reading about the *Little Red Hen* and about perseverance from reading the *Little Engine that Could*. I learned to enjoy words and rhymes and the beauty and intricacies of language from reading Mother Goose. I learned about varied cultures and foreign lands from reading *Robin Hood* and *Heidi* and *Arabian Nights*.

My father worked hard all his life and never had a lot of material things to give me, but he gave me books and the love of reading. He opened my eyes to a grand and diverse world. Reading expanded my knowledge and my vocabulary and whetted my appetite to see and experience the places and events that I had read about as a child. And I have. I have travelled the world over and sometimes, even today, a tear will roll down my cheek when I visit a foreign land for the first time and see a particular sight that I might have read about as a small child at my daddy's kitchen table.

If you want to make a difference in the academic life of your child or grandchild, read to them, and help them learn to love books. It is one investment that will pay rich dividends.

*Darrell Huckaby is a syndicated columnist and author of six books including two about Georgia football.*



## Information

### Operations

Permission to Disclose Personally Identifiable Information (PII): We must obtain signed client authorization to disclose PII to a third party.

Statement Mailing: The statement mailing has switched to QUARTERLY. If you would like to receive your statements MONTHLY, please call our office and we will be happy to assist you.

Preparing for Year-End & The 2023/2024 Tax Season: You will receive a statement insert to help prepare you for Year End and Tax Season.

### *The Three Stages*

#### RETIREMENT READINESS (continued from page 1)

##### Debt

In a perfect world, we would help get people out of ALL debt prior to retirement. The key is to manage the required payments and rate options if any available and determine payoff dates.

##### Reserves

Every household has their own cash reserve (emergency funds) needs. We can calculate preferred reserve and how that cash is managed.

##### Health

For those who retire healthy, their lifetime expenses can be much lower. We will review with families the areas to discuss with their doctors while they are under a work group health policy.

##### Big Ticket Items

There are large expenses to evaluate while under a salary, and we review those with families.

##### Prepays

If expenses that families will or could experience later in life can be paid early, many times that will help with future cash flow.

##### Budget

Families must know what they spend monthly before retirement and how those expenses change as they age, and we can teach how to build and keep a budget.

**Retirement planning is not simple and is not something families should take lightly. I look at working with families in three stages:**

##### One

The period of time they are growing their net worth

##### Two

The period of time planning for retirement years (2-3 years before retirement)

##### Three

The period of time in retirement years supplementing income

All have different needs and strategic conversations which increase the odds of success with an advocate such as us. Let me know how I can help!

# Market Index Returns\*

## Fixed Income Current Yield 8/10/2023

90-Day T-Bill	5.43%
5-Year T-Note	4.12%
10-Year T-Note	4.00%
30-Year T-Bond	4.18%

Source: Bloomberg

## Index 2023 2022

	2023 (1/1/2023–8/9/2023)	2022 (One Year)
Dow Jones Ind.	6.87%	-8.78%
S&P 500	16.36%	-19.44%
NASDAQ	31.10%	-33.10%
MSCI EAFE Growth ETF	12.93%	-22.93%

Source: Morningstar Research

\*The Dow Jones Industrial Average is comprised of 30 stocks that are major factors in their industries and widely held by individuals and institutional investors. Bond yields are subject to change. Certain call or special redemption features may exist which could impact yield. The Standard & Poor's 500 Index is a capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The NASDAQ Composite Index measures all NASDAQ domestic and non-U.S. based common stocks listed on The NASDAQ Stock Market. The market value, the last sale price multiplied by total shares outstanding, is calculated throughout the trading day, and is related to the total value of the Index. The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The MSCI EAFE Index consists of the following developed country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

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