

New Year, New Me

*By Founding Partner Jason Norton,
CFP®, ChSNC®*

OR IS NEW YEAR'S GOAL SETTING THAT SIMPLE?

Stated on January 17, 2019:
"Well, that about does it for me for my New Year's resolutions. I do, however, have high hopes for 2020!" Why do we believe that as the minute hand passes midnight on December 31 that we all of a sudden receive the discipline of a Buddhist monk? It just does not happen. Stated on New Years Eve: "Hey, honey, can we stop and pick up some kale and organic beans for tomorrow? I'm vegan now. Can you drive, though? I am pretty sure that I have had too much to drink."

Do you see the date I noted at the very beginning? January 17 is the day in January that it is believed that most people quit their New Year's resolutions. Why that date? Well I am sure someone smarter than I that can explain the statistical conclusions that point to that date. And, why do we quit

at all, much less that soon into the New Year?

New Year's goals are the only goals we set for ourselves expecting them to be established at 1:01 a.m., one minute after being determined. To the contrary, in realistic goal setting, we plan reasonable, actionable steps in order to achieve our goal(s) by a decided date. It doesn't happen instantly!



Financial savings goals should be handled in the same way, with

reasonable, actionable steps. Unfortunately, we often save money in a similar fashion as we handle New Year's resolutions, or as another example, a recently released diet that lasts only a month. What do you think happens on the first day of the next month? We will, in most cases, return to the cheese dip! Whether it be dieting or saving, not setting *sustainable* goals is unproductive and will only result in frustration and, ultimately, failing altogether.

While Highland Trust Partners may not be the best at helping you "rotate your macros" or determine your "Basal Metabolic Rate," we can help with finding a sustainable savings rate for your retirement goals. Let us know what we can do to assist you with your savings objectives!

Retirement Planning Moves

By Senior Financial Adviser Amy Parrish,
AMWA®

KICKSTARTING 2019

Now that the New Year is here kick it off right, particularly as it pertains to retirement planning. These tips can help everyone get off to a rewarding start.

1. **Boost Retirement Contributions**

The New Year is a great time to boost retirement contributions and in 2019, you can contribute more than ever before. If you are 50 or older make sure you remember to make those catch-up contributions.

2. **Consider Roth 401(k)**

Roth 401(k) contributions give no immediate tax break but you won't pay any taxes on qualified distributions after this money is rolled into a Roth IRA in retirement. In addition, there are no required minimum distributions connected with Roth IRA's, which will be a huge benefit when you hit age 70½.

3. **Take the Time to Review**

Review your 401(k) investments. It's good practice to review the

investment mixes at least once every year, to make sure that what's being allocated is still in line with your needs.

4. **Max Out IRA Contributions**

Don't forget annual IRA contributions. If you or your spouse have earned income, you can contribute \$6000 to a traditional or Roth IRA. If you are age 50 or over, then you can contribute another \$1000 for a total annual contribution of \$7000. And consider building your Roth IRA, whether you meet the income limitations or whether you make a "back door" Roth conversion, which is allowed for everyone, regardless of income level.

5. **Include a Health Savings Account**

HSA's aren't as well known and utilized as they should be, given their amazing triple tax-free benefits. Essentially, you can take a tax deduction when funding the plan, the money grows tax-free, and

the withdrawals are tax-free at the back end when used for health care expenses. In 2019, a family can contribute \$7,000 towards an HSA, and an individual can contribute \$3,500 per year.

6. **Get a Comprehensive Financial Plan**

Are you on track to reach your retirement goals? Do you need to make changes to your plan? It is a lot easier to stay grounded and manage through the ups and downs of the markets if you have a solid and thoughtful plan. You should review or update your plan to reflect any potential changes.

With the uncertainty of the markets to start the year, one of the best ways to maintain your financial confidence is to build a solid foundation with adequate savings and a sound financial plan.

Please contact us to see how these ideas fit into your financial plan.

Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual.

The Roth IRA offers tax deferral on any earnings in the account. Withdrawals from the account may be tax free, as long as they are considered qualified. Withdrawals prior to age 59½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax. Future tax laws are subject to change. Traditional IRA account owners should consider the tax ramifications in regards to executing a conversion from a Traditional IRA to a Roth IRA. The converted amount is generally subject to income taxation.

Community Outreach

Extra Special People Banquet

By Founding Partner Chris Caldwell,
CFP®, CRC®, AIF®, MBA

CELEBRATING THE LIFE AND ENERGY OF THOSE WITH SPECIAL NEEDS

One of our favorite events of the year was held Feb 9. Extra Special People (ESP) holds an annual pageant, titled Big Hearts, for approximately 60 contestants of special needs to show off their talents and abilities to a theater (The Classic Center) containing over 2000 people cheering them on. The participants in the pageant-style show, dress in ballgowns

and tuxedos to share their talents alongside a theatre production. Following the production, a black tie banquet fundraiser celebrates and announces the wonderful accomplishments of ESP for those in the community and future plans to make their lives even better.

A previous Highland Trust newsletter focused

predominantly on this organization. For those who did not see this publication, the following is a descriptive of the organization: ESP creates opportunities for people with disabilities and their families to engage, connect, and thrive through 8 weeks of summer camp, 19 afterschool enrichment programs, and ongoing family support.

Highland Trust Partners is proud to be a corporate sponsor of this ESP event.



L-R: Ben Butler, Jason Norton, Chris Caldwell, Amy Parrish, and Mark Cross at the 2019 ESP black tie fundraiser.

Tools for 2019

Technology Corner

Waze: Waze is a navigation app designed to find the fastest route to your destination. Waze will notify you when you are approaching something that may slow your commute — accidents, road hazards, or traffic jams. The app is updated in real-time by other users around you. The app also gives you the option to connect to Facebook to coordinate arrival times when you're going out with friends. This app is free.



Waze

Informed Delivery by USPS: Informed Delivery is an app offered to users through the United States Postal Service. Informed Delivery allows you to preview mail and manage packages that are in route to your home. There are several helpful tools offered through the app including the ability to schedule a pickup, purchase stamps, change your address, track packages, and provide specific delivery instructions. You can also reschedule a delivery if you missed the original delivery date or time. If you are going out of town, the app provides you with the "Hold Mail" option, which instructs USPS to hold your mail at the post office until you return. This app is free.



Informed
Delivery by
USPS

LPL Research 2019 Outlook

By John Lynch,
LPL's Chief Investment Strategist

A SUMMARY

After nearly 10 years of witnessing the U.S. economy and stock market recover—and thrive—investors are starting to wonder if we've seen all this expansion and bull market have to offer. At LPL Research, we believe there's more room to run, thanks to strong corporate profits and continued fiscal stimulus, in the form of government spending, reduced regulation, and lower taxes.

Against this backdrop, we expect gross domestic product (GDP) of up to 2.75% for the U.S. economy, supported by increased spending from consumers,



businesses, and the federal government. Based on expectations for economic growth and monetary policy, along with the noted fiscal tailwinds, we expect 2019 may be another good year for equity investors. Accordingly, LPL Research forecasts total return possibilities within the range of 8–10% for the S&P 500 Index. With market interest rates

climbing from historic lows, bond investors must be prepared for gradually rising rates, with periodic surges that may temporarily affect sentiment. As a result, we expect flat returns for bonds in 2019, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index.

Our conviction in the fundamentals supporting the economy and corporate profits is driving our forecasts for GDP growth and positive stock returns. Yet, many positive fundamentals could be pressured by threatening issues such as trade, deficit spending, monetary policy, or global politics. As a result, we do expect to see more volatility, and continue to encourage suitable investors to embrace that volatility for its potential opportunities to rebalance portfolios, rather than fear it. By managing our emotions and staying in tune with market signals, we can help position ourselves for any market environment.

In addition, although our Outlook 2019 remains positive, we may be nearing the end of the market cycle. Thus, now is a good time to start thinking about what the next phase for the economy and markets may look like. The intention here is not to start worrying or assuming the worst, but to remind ourselves that slowdowns and declines are a normal part of our market cycle. And even more importantly, if we're prepared for any downturns, we can be better positioned to weather any challenges that may be ahead.

For additional description and disclosures, please see the full Outlook 2019 publication. The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual security. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. All performance referenced is historical and is no guarantee of future results. All indexes are unmanaged and cannot be invested into directly. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. Economic forecasts set forth may not develop as predicted. Investing involves risks including possible loss of principal. No investment strategy or risk management technique can guarantee return or eliminate risk in all market environments. Rebalancing a portfolio may cause investors to incur tax liabilities and/or transaction costs and does not assure a profit or protect against a loss.

This research material has been prepared by LPL Financial LLC.

Contributing Writer

Hear for Life!

By Robin B. Hardin, M.A., LIC-A, FAAA,
Owner and Audiologist, Athens Oconee Audiology

IMPROVED HEARING AND WELL-BEING

The table is set, the candles are lit, the music is playing in the background and the family is seated at the beautifully appointed table. Twenty family members gather to share a special meal together. Everyone is happy to spend time together so they talk all at once, laugh out loud and enjoy the meal. This is a joyous exchange with lively conversation and laughter. The family is reconnecting as they recall fond memories and relate recent important events. But two to four of the family members struggle to hear what is said. The speech runs together. They hear, but don't quite understand. They sit and smile but don't really understand or participate. They are left out of the conversation. These four individuals are experiencing untreated hearing loss.

Does this describe you or any of your family members? Ten to twenty percent of the general

population is hearing impaired. Untreated hearing loss can significantly impact quality of life. Untreated hearing loss impacts the ability to communicate with family, friends and colleagues.

People with hearing loss delay a decision to get hearing help because they are unaware of the fact that receiving early treatment for hearing loss has the potential to literally transform their lives. Research by the National Council on the Aging on more than 2,000 people with hearing loss as well as their significant others demonstrated that hearing aids clearly are associated with impressive improvements in the social, emotional, psychological, and physical well-being of people with hearing loss in all hearing loss categories from mild to severe. Specifically, hearing aid usage is positively related to the following quality of life issues. Hearing

loss treatment was shown to improve:

- Earning power
- Communication in relationships
- Ease in communication
- Sense of control over life events
- Physical health
- Group social participation

If you are one of those people with a mild, moderate or severe hearing loss, who is sitting at the dinner table struggling to understand, consider all the benefits of hearing aids described above. Hearing aids, coupled with effective communication strategies, hold such great potential to positively change so many lives. Hearing aids programmed by your audiologist can help you HEAR FOR LIFE!

(Adapted from the Better Hearing Institute. Robin B. Hardin is not affiliated with Highland Trust Partners or LPL Financial.)



Introspection

Greatest Generation

By Founding Partner Chris Caldwell,
CFP®, CRC®, AIF®, MBA

SETTING AN INCREDIBLE EXAMPLE

I took my family to New Orleans over New Years for our annual end-of-the-year trip. While I have no interest in discussing how Georgia fared in the Sugar Bowl, we had a wonderful trip visiting the attractions of NOLA. While the art, culture, and of course beignets were wonderful, by far the most fascinating place we visited was the National World War II Museum.

Originally opening as the National D-Day Museum in 2000, it was designated the National WWII Museum in 2003. Spread over six acres with exhibits in four buildings several stories tall, what we believed would be a short stop lasted many hours. And we still left without really seeing it all! The interaction with these exhibits is amazing while walking through Normandy, North Africa, and the Pacific Islands. Hearing the voices of those in battle and reading the letters sent home to loved ones enhances the experience even more. Over 700,000 visitors partake of this learning adventure annually.

However, maybe the best attraction is not actually an attraction of the physical museum. Seeing the faces, smiles, and tears of the children and grandchildren of those men and women who were part of that

generation is what really stands out in my mind as the greatest facet of this museum experience. Its value is much greater than the cost of the entry ticket.



A brick walkway containing names of American deceased soldiers leads the way to the National WWII Museum.

Tom Brokaw authored *The Greatest Generation* in 1998, and he made a good argument that these men and women represent the greatest generation because they did not fight for fame or recognition but fought because it was the right thing to do. Without looking back in the book for this

information, but hearing what people were discussing as they walked through the exhibits, here are a few lifestyle characteristics by which these people born in the early 1900s lived:

1. **Strong Work Ethic.**

Work hard and with a strong conscience in your job, your home, your community, and representing your country.

2. **Personal Responsibility.**

It is no one else's fault, and responsibility to improve begins with self.

3. **Humility.**

Better to be modest than promote oneself.

4. **Faithfulness.**

Commitment to a spouse, family, church, job, and country.

5. **Prudence.**

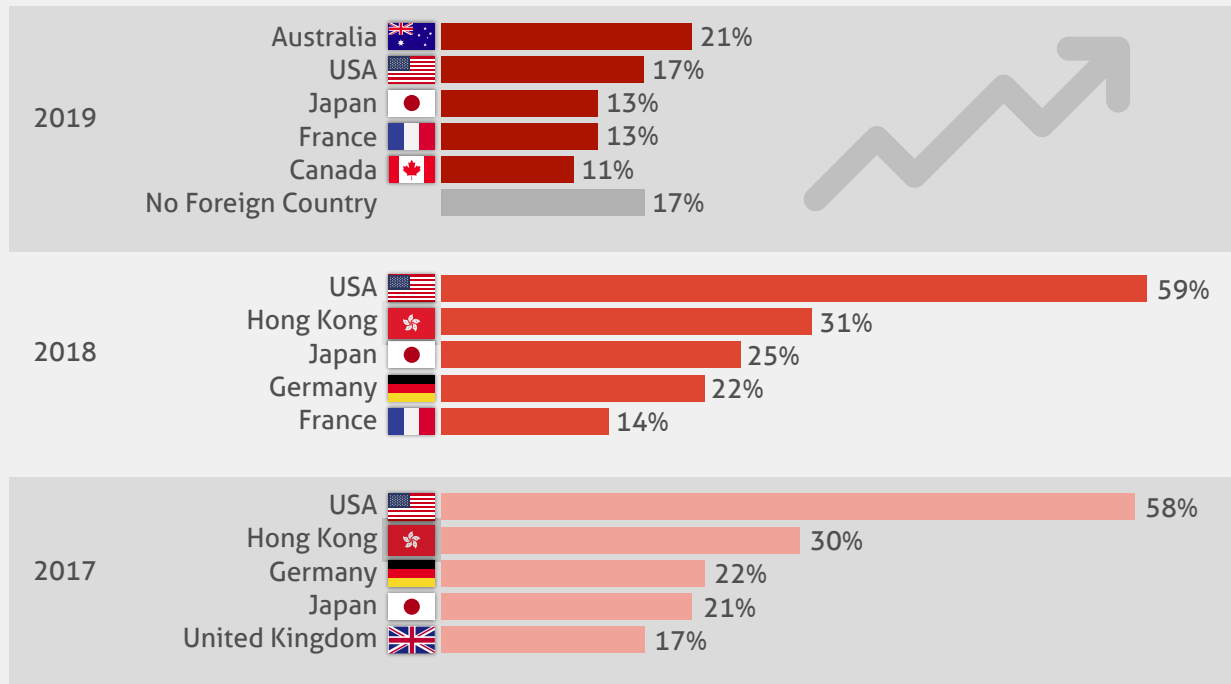
Live within means and save for what is desired.

People analyze the various generations and we laugh about how older people make comments such as, "kids today." There are plenty of values- and ethics-related trends to cause worry, but for one Generation X parent who watched his Generation Z teenagers walk through this museum listening intently to stories about our greatest generation, maybe, just maybe there is hope.

Chart of the Quarter

Chinese Growth Ambitions Turn Towards Australia

Percentage of Chinese CEOs identifying foreign nations as growth markets for the year ahead



@StatistaCharts Source: Global CEO Survey by PwC

statista

Obtained from <https://www.statista.com/chart/16733/chinese-ceos-name-growth-markets/>

HTP News and Reminders

Permission to Disclose

With tax preparation fast approaching, many of you request we provide account information to your CPA. In order to do so, we must have a "Permission to Disclose" form on file with your CPA's contact information and your signature. Please call April or Tomekia to be provided with this form.

Yearly IRA Required Minimum Distribution (RMD)

Due to a high volume of processing requests, please contact our office by December 15, 2019 if you have not taken your RMD. Reminders are also included on your monthly statements under "Retirement Summary." You may be subject to IRS fines if RMD is not taken by Dec. 31 each year. If you are turning 70½ this year, please contact us to verify we have correct ACH banking instructions on file for your IRA.

Market Index Returns*

Fixed Income	Current Yield 2/15/19
90-Day T-Bill	2.42%
5-Year T-Note	2.49%
10-Year T-Note	2.66%
30-Year T-Bond	2.99%

Source: Bloomberg

Index	2019 (1/1/19–2/15/19)	2018 (One Year)
Dow Jones Ind.	11.37%	-3.48%
S&P 500	11.02%	-4.38%
NASDAQ	12.62%	-2.84%
MSCI EAFE	7.18%	-13.79%

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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