



## *The Perfect Gift*

*By Founding Partner Jason Norton,  
CFP®*

### OUT-OF-THE-NEST FINANCIAL PLANNING

Several years ago, I was speaking to a class at the University of Georgia and a student asked me a question I will never forget. "What motivated you to work long hours and study so much?" I was working on my securities which occupied all my free time. I answered, "the mailman." Let me explain. Back in the early 2000's, the mailman actually still delivered bills to your mailbox. Paying those bills was a very eye-opening experience for me since I was no longer a dependent of Mr. & Mrs. Norton. Learning about budgeting, saving, retirement planning and insurance while beginning my career was a challenge. I most definitely earned a few credits from the graduate school of hard knocks. When entering college, we may have traded a bedroom

for a dorm room but in large part we were still financially "in the nest." It is not until after graduation (plus a couple bonus months) that we are shoved out to fly on our own. Some are more ready than others.

It is from my personal experience, and through helping others during this transition, that I noticed a need for those who have become newly independent. It is a simple necessity but truly is the foundation for good personal finance. I am speaking of a budget. What should I spend on items? How much is too much? It is easy to figure out when you run out of cash but could I know before I spend my last dime? We

use the motto, "define priority," quite often when building a financial plan, but can we apply this term to a budget? The answer is most definitely, "Yes!"



With this in mind, Highland Trust Partners will begin scheduling **Out of the Nest** appointments beginning this fall. Young people just getting started in the "real world" can spend up to two hours with one of our advisors who will help educate and plan

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## *How Much Is Too Much?*

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

### FACTORS THAT DRIVE THE PURCHASE OF LIFE INSURANCE

When people are asked about life insurance, they are usually presented with the question, "Do you have enough?" I want to look at coverage from another angle and talk about what is too much. As financial planners, one of our jobs is to analyze a client's expenses to determine if money is being spent on unnecessary items. Life insurance premiums oftentimes fall into this category.

Let me start with why we should purchase life coverage. When a couple gets married, one of their first financial-related priorities is to purchase life insurance. At this point in their lives, they are probably starting this new adventure with some significant financial obligations requiring one or both of their salaries to make ends meet. Owning a policy to help one another is wise should the unfortunate occur. Eventually, they may have dependent children until the age of 18, but even more likely through college years. As a couple, if one should pass early, the other usually can cover basic household finances without much assistance. As parents, this is not the case for the majority of us and insurance is absolutely a requirement considering all of the additional child-related costs. You also have to look at non-discretionary expenses to ensure that you can continue your present, desired lifestyle. Business owners rely on life insurance to guarantee that the business will continue after the loss of a partner or key employee. In all cases, the question to ask is, "If I or someone significant in my life passes away, will there be a financial burden that cannot be covered from the assets (cash or investments) currently owned?" If the answer is "yes," then



some type of life insurance is required.

Once you realize that you must own a policy to protect your finances, you still may not be certain of how much. An insurance industry rule of thumb calculation is a multiple of your income such as 10 times salary. The problem with this simple calculation is that it does not consider the actual needs of coverage, and many times insures too heavily. A better method is called the DIME formula, an acronym for Debt & final expenses, Income, Mortgage, and Education.

Under DIME, a family will look at their individualized needs and purchase enough coverage for each. It is also a good practice to buy smaller policies dedicated to each requirement instead of one large, multifaceted policy. Doing this provides families the ability to select which policies should be term-based where there is an end to the need (mortgage, education, dependent needs) and which should be permanent policies where the need continues through life (burial, portion of income replacement, estate planning).

As we become empty nesters and then retirees, the need for life insurance coverage subsides. Most in retirement years only need enough coverage to pay off remaining debt (most likely, very little) and pay burial expenses. If you own permanent policies with large death benefits and premiums, let us review those policies to see if there is still a need, if the premiums can be reduced, or if those policies are at risk of lapsing. While life insurance is a necessity for most, the coverage must clearly match the need, thus minimizing the cost.

## Community Outreach

### *Our Commitment to Local Community*

#### WALK TO END ALZHEIMER'S

Once again, HTP is supporting the Walk to End Alzheimer's. Every year in over 600 communities across the country, the Alzheimer's Association holds Walks to End Alzheimer's to raise funds for care, support, and research. We have joined this effort by organizing a team to participate in the Walk. The Athens area Walk is takes place October 20 and we ask you to join our team by making a donation to this wonderful cause at:

<http://act.alz.org/goto/highlandtrustpartners>



## HTP News and Reminders

### New to the Highland Trust Partners Family

HTP is excited to announce two new additions to our family. Ben Butler is not completely new to us as he has interned for Mark since 2014, but Ben has been promoted to a full-time position as Trade and Portfolio Operations Manager. He is completing his Finance degree and working towards his masters in Financial Planning at the University of Georgia. Miranda Lee has taken an intern position in our Financial Planning Department. She is majoring in Financial Planning at the University of Georgia.

### Paperless Statements

Go paperless and view your monthly statements and trade confirmations online. Monthly statements are available online within three business days, and trade confirmations are available the next business day after the trade is executed. To go paperless, click on the LPL Account View link accessible through your financial advisor or institution website. Paperless statements are convenient, secure, fast and environmentally friendly. Enjoy the many benefits of free paperless statements and sign up today.

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#### OUT-OF-THE-NEST FINANCIAL PLANNING *(continued from page 1)*

for life's next steps for only \$500. The following are a few topics that will be discussed:

- Budgeting
- Taxes
- Retirement Savings
- The Use of Credit
- Student Loans
- Health Insurance
- Company Benefits

At the end of the session, Highland Trust Partners will provide a target budget as well as relevant notes on topics discussed with the participant. Giving your child or grandchild the gift of a financial plan to start their independence might not have been requested, but will be very much appreciated! Please contact us with questions or interest.

# Community Outreach

## Financial Fitness Workshop

By Senior Financial Adviser Amy Parrish,  
AMWA®

### LEARN TO BE FINANCIALLY FIT

Sponsored by Highland Trust Partners, a panel of local professionals will be presenting on matters related to real estate, mortgages, investments, insurance, and taxes in order to help you better understand the basics. There will also be provided an opportunity to ask questions about your specific situation. Seminars will be presented in two parts during the month and will be independent of each other. Life tips will also be shared. And it's FREE!

Bring anyone in your life who wants to "work out" with you to get financially fit (teenagers and young adult children are welcome).

All meetings will be 6:15 p.m. – 8:00 p.m. and locations (TBD) will vary each month.  
2018 dates are as follows:

**Tues., Sept. 4** (real estate, mortgages, life tips)  
**Tues., Sept. 11** (investments, insurance, taxes, life tips)

**Mon., Dec. 3** (real estate, mortgages, life tips)  
**Mon., Dec. 10** (investments, insurance, taxes, life tips)

For questions, registration, and other information, contact  
Amy Parrish at **706-850-4965** or **amy.parrish@highlandtrustpartners.com**



## Tools for 2018

### Technology Corner

**Remember the Milk:** Remember the Milk allows you to get your daily to-do lists organized on your smart phone, tablet, or computer. You can choose when you'll be reminded of the task and whether your reminders come via email, text, or instant message. Remember the Milk also provides you the option to share tasks with others who are also using the app, which can be useful for a busy family or an office setting. Remember the Milk has many features that can be personalized to fit your individual needs and preferences, as well. This app is free.



Remember  
the Milk

**Instapaper:** Instapaper gives you the ability to save anything you find while browsing the internet, whether it's an article, a video, a dinner recipe, song lyrics, or anything else you may come across. This app syncs to all your devices, including iPhone, iPad, Android, or Kindle, so you can view what you have saved anywhere and anytime, even if you're offline! You can also highlight text and make notes within articles if you find something interesting you want to come back to later. This app is free.



Instapaper

# Introspection

## What Does it Mean to Have Served for America?

### U.S. VETERAN PERSPECTIVES

*"America was not built on fear, America was built on courage, on imagination and an unbeatable determination to do the job at hand."*

– Harry S. Truman

The summer months observe and celebrate many dates for this great nation and her military, including:

- Armed Forces Day
- Memorial Day
- D-Day
- U.S. Flag Day
- Independence Day
- Purple Heart Day

The United States of America is the greatest country on our planet. Here are a few comments from our military veterans when asked, "What does it mean to have served for America?"

#### **Captain Len Sapera**

U.S. Navy 1962-1990

When I joined the military, I took an oath "To support and defend the Constitution of the United States of America against all enemies foreign and domestic." I treasure that commitment and have tried my best to live up to it every day. I consider myself a Patriot. I would still put my life on the line for freedom, democracy and peace if called upon. I suggest we all take a few minutes and listen to Lee

Greenwood's singing of "God Bless the U.S.A." and then feel the gratitude for our men and women in today's armed forces.

#### **Admiral Norm Grayson**

U.S. Navy 1945-1967

I love the good ole' U.S.A., in that everyone is given the right to be themselves; like select a job, a place to live, their church, etc. Each state having their own National Guard with each National Guard and the U.S. Military in voluntary status except when we have a major U.S. emergency such as World War II should not be overlooked. Other countries do not have as many personal freedoms as we have in the good 'ole USA.

#### **Colonel Tony Cushenberry**

U.S. Air Force 1957-1986

Being born and bred in the South, you were taught to love God, family and country. When I joined the U.S. Air Force, I took great pride in taking the oath to serve my country, its citizens, and defending her at all costs, even death. It was an oath I would gladly take again for the United States of America, the greatest country in the history of mankind. For me, the greatest blessing was being born in the U.S. where freedom and liberty are not just words, but an actuality.



# Market Index Returns\*

Fixed Income	Current Yield 7/31/18
90-Day T-Bill	2.01%
5-Year T-Note	2.85%
10-Year T-Note	2.96%
30-Year T-Bond	3.08%

Source: Bloomberg

Index	2018 (1/1/18-7/30/18)	2017 (One Year)
Dow Jones Ind.	3.63%	28.11%
S&P 500	5.95%	21.82%
NASDAQ	10.53%	29.73%
MSCI EAFE	-0.09%	25.69%

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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