LET'S TALK MONEY®

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I am committed to helping my clients achieve their financial goals for themselves, their families and their businesses by providing them with strategies for asset accumulation, preservation and transfer.

Building

for Retirement

Saving for retirement in an employer's 401(k) plan or an individual retirement account (IRA) is only one part of a wealth accumulation strategy. A comprehensive wealth strategy involves a personalized, in-depth review of what your financial future may look like. Having a wealth strategy can help you set a course for financial stability in retirement.

Your Financial Situation

The wealth accumulation strategy you employ will depend in part on an assessment of your current finances, including the assets you already have. A review can help determine if you're saving and investing enough each year based on your goals and allow you to address any potential gaps.

Your Goals

The amount of money you'll need in retirement will depend on your expenses and your desired lifestyle. Think about where your income will come from and the amount you can expect from each source. Then estimate your expenses, including living costs, health care, taxes, travel, hobbies, and legacy plans. Knowing how much money you'll need for each expense will give you a better understanding of what you'll have to earn from your investments. Use it as a guide in determining your asset allocation* and the amount of risk you can take with your investments.

Strategies for Growth

The wealth strategies you implement should be specific to your goals and include both growth and protection strategies. Start with a diversified* portfolio that consists of a wide variety of asset classes, such as stocks, ETFs, mutual funds and fixed-income investments. Also, consider an annuity to help create a lifetime income stream for you or for you and your spouse.** Consider adding life insurance to replace a spouse's income if he or she dies; a long-term care policy to protect you from rising care costs; and a health savings account, if available to you.

Your financial professional can help you create and implement a wealth accumulation strategy to prepare for retirement.

**Diversification and asset allocation cannot eliminate the risk of investment losses. Past performance won't guarantee future results. An investment in stocks or mutual funds can result in a loss of principal. Asset allocation may help reduce volatility in your portfolio.*

***Distributions from annuities are taxed as ordinary income and, if taken prior to reaching age 59½, may be subject to an additional 10% IRS tax penalty.*

Retirement Version

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helping financial professionals stay connected

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Down the Aisle for Less

Beginning life as a married couple with significant debt can place a strain on your finances and your relationship. Wedding costs can be exorbitant, but, with a little ingenuity, you can find ways to control them. In addition to setting a wedding budget, consider these ideas for trimming costs.

Invite fewer people. Of course, you want everyone you know to share your special moment, but trimming the guest list means the food, drinks and venue will cost less. Consider hosting a special brunch later at your home for people you left off the list.

Choose a different time and place. Wedding venues typically cost more on weekends. Having your wedding during the week may save you money. Winter months (January through March) are considered off-season for weddings, so you may find low-cost venue options then. Holding the ceremony and reception in an attractive backyard is also something to consider, as is getting married at town hall, followed by dinner at a restaurant.

Save on wedding clothes. Shop sample sales and trunks shows for a wedding gown and bridesmaids' dresses. Check thrift stores for nearly new tuxes.

Let flowers do double duty. Bridesmaid's bouquets and flowers from the ceremony can be used to adorn tables at the venue.

Forgo travel. Destination weddings may be all the rage, but you'll save a bundle by sticking close to home.

Help with Summer Camp Costs

Parents who send their child to summer camp may be able to deduct some of their expenses. The Child and Dependent Care Credit provides a tax break to working parents or guardians of children age 13 or younger or a dependent who is disabled. Parents who are full-time students or who are unemployed and looking for work may also qualify for the credit.

How Much?

You can claim expenses for the cost of sending your child to a day camp or summer camp. Sports camps are included, but overnight camps are not eligible. The credit is calculated based on your income and a percent of the expenses you incur to work, go to school or look for employment. The credit covers up to a maximum of 35% of $3,000 of qualifying costs for one child or up to $6,000 for two or more children.

To Claim the Credit

You must be the parent or primary caregiver of the dependent you're claiming. You also must have earned income and require daycare services to either work, seek employment or attend school.

Eligible Expenses

You can claim expenses for more than just summer camp. Also eligible are:

- Babysitting and daycare center costs
- The cost of home help when the provider is involved in caring for a qualifying child or dependent
- Before and after school care
- Cost of a nurse, home care and other services for disabled dependents

The child care provider cannot be a dependent, spouse or parent, even if you pay them a salary.

Your Summer Financial To-Do List

Summer activities can take a toll on your finances, so it's important to take control from the outset. The suggestions below can help keep your spending plan intact.

Create a Vacation Budget

Decide how much you can afford to spend on vacation and research your options. Flexible dates may help you find the best deals. If you're planning to fly, check for cheap flights on the airlines that service your destination. Consider using a travel agent, who may have information on vacation packages that fit your budget.

Check Your Emergency Fund

Are you covered in case of unexpected expenses or job loss? You should have three to six months' worth of living costs saved in a fund that you can access without paying a penalty.

Automate Your Savings

Overspending on summer activities can leave you without the funds to add to your savings or retirement accounts. Automating your contributions can prevent you from cutting back on savings to compensate for higher summer spending.

Put Your Bills on Autopay

When you're on vacation or busy with summer activities, it's easy to overlook payment due dates. Forgetting a payment can result in late fees and dings to your credit score. Set up automatic bill pay online to avoid missing payments while you're on vacation. The convenience may encourage you to use this option even after summer is over.

Raise the Thermostat

Adjusting your thermostat upward by a few degrees can save you money while keeping your home at a comfortable temperature. Remember to raise the thermostat when you're at work or away from home for more than a short time — and especially when you go on vacation. Consider investing in a "smart thermostat" that you can program to raise and lower the temperature in your home at different times of the day or night.

Remember, practicing good financial habits is the key to long-term financial success.

Should You Prepay Funeral Costs?

There is no right or wrong answer, but you'll want to review the pros and cons of prepaying funeral expenses.

The Pros:

- When you prepay, you lock in today's prices. Even if costs increase, the money you've given the funeral home is guaranteed to cover the goods and services you've selected.
- Your personal arrangement with the funeral home guarantees you'll have the funeral you want.
- Your loved ones won't have to make decisions about the details of your funeral.

The Cons:

- The money you use to prepay expenses is controlled by the funeral home director, not by you.
- The funeral home you have chosen could go out of business or change ownership.
- You usually can't transfer your prepaid plan to another funeral home if you move or die in another location.

If you decide to prepay funeral expenses, make sure you have a written document outlining the products and services you're entitled to receive. Keep it with your will, and tell loved ones about the arrangement.

The Average Cost of a Funeral

According to the National Funeral Directors Association, the average cost of a funeral with burial is $7,848 — $9,420 if a vault is included. At $6,971, cremation costs slightly less. Here's a cost breakdown of select items.

Casket $2,500	**Embalming** $775	**Funeral Service Fee** $2,300	**Hearse** $350
Cremation Casket $1,310	**Cosmetic Preparation** $275	**Cremation Fee** $368	**Burial Plot** $1,000 - $4,000

Roth IRA: A Good Fit for Your Goals?

Traditional and Roth individual retirement accounts are both good choices for retirement investing. A Roth IRA offers tax advantages when you're ready to withdraw your money, while traditional IRA contributions are tax-deferred until you make withdrawals. Reviewing both IRA options can help you decide.

Roth Basics

Contributions to a Roth IRA are made with after-tax money. That means you won't be get a tax deduction for your contributions. However, the money in your account accumulates tax free. Withdrawals are also tax free, giving you a tax-free income stream in retirement. The maximum contribution to Roth and traditional IRAs in 2024 is $7,000, or $8,000 for people age 50 or older.

No Required Distributions

Traditional IRAs require minimum distributions from your account after you reach age 73. A Roth IRA has no minimum distribution requirement — ever. If you don't need the money in your account, you can allow it to keep growing tax free during your lifetime and then pass the Roth IRA tax free to your heirs.

Income Limits

You cannot contribute to a Roth IRA if your modified adjusted gross income (MAGI) exceeds certain amounts. For 2024, the income limit for single and head-of-household filers to contribute the maximum amount is $146,000. Partial contributions are allowed until MAGI exceeds $161,000. Married joint filers can contribute the full amount if MAGI is $230,000 or below, with total phaseout at MAGI above $240,000.

The Five-year Rule

Contributions to a Roth IRA can be withdrawn at any time, but earnings distributed before age 59½ may be subject to a 10% penalty and income tax unless you meet an exception. After age 59½, you can withdraw both contributions and earnings with no penalty once the account has been open for at least five tax years.

How to Decide

Consider a Roth IRA if you expect to be in a higher tax bracket in retirement. Because you'll pay taxes on the conversion, converting a traditional IRA to a Roth IRA generally should be undertaken when you have a dip in income. Your financial professional can help you make an informed decision.

We Value Your Input...

Your feedback is very important to us. If you have any questions about the subjects covered here, or suggestions for future issues, please don't hesitate to call. You'll find our number on the front of this newsletter. It's always a pleasure to hear from you.

ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

February 05, 2024

Reference: **FR2024-0118-0317/E**

Org Id: 23568

1. LTM May-June 2024 Retirement
   Rule: FIN 2210

Our review is based on your representation that the final version of this communication will prominently disclose the name of the member, pursuant to FINRA Rule 2210(d)(3)(A).

The communication submitted appears consistent with applicable standards.

Reviewed by,

Jeffrey R. Salisbury
Principal Analyst

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