



## ROAD MAP

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### INCREASE YOUR SAVINGS.

Calculate how much you are saving as a percentage of your income. Is it enough to fund your future financial goals? If not, go back to your spending analysis and look for ways to reduce expenditures. That may mean reassessing your lifestyle choices, since you'll need to live below your means to find money to save. Commit to saving more immediately and then take steps to make that commitment a reality.

### REBALANCE YOUR INVESTMENTS.

At least annually, thoroughly analyze your investment portfolio:

- Review each investment in your portfolio, ensuring that it is still appropriate for your situation.
- Calculate what percentage of your total portfolio each asset type represents; compare this allocation to your target allocation and decide if changes are needed.
- Compare the performance of each component of your portfolio to an appropriate benchmark to identify investments that may need to be changed or monitored more closely.
- Finally, calculate your overall rate of return and compare it to the return you estimated when setting up your investment program. If your actual return is less than your targeted return, you may need to increase the amount you are saving, invest in alternatives with higher return potential, or settle for less money in the future.

### PREPARE FOR FINANCIAL EMERGENCIES.

To make sure you and your family are protected in case of an emergency, set up:

- A reserve fund covering several months' of living expenses. The exact amount you'll need depends on your age, health, job outlook, and borrowing capacity.

## TIPS TO TEACH CHILDREN TO SAVE

**T**hink of all the lessons parents teach their children — manners, looking both ways before crossing the street, and buckling up in the car, to name a couple — but what about learning to save? Short- and long-term savings are important life lessons that should start early and remain an ongoing conversation. Here are some tips you can use:

**WANTS VERSUS NEEDS** — To a child, most everything is a need, so the first important savings lesson is helping them understand the difference between wants and needs. You could use your own budget to help illustrate that wants are secondary to needs.

**THEIR OWN MONEY** — To help your child become a saver, they need to have their own money. Giving your child an allowance in exchange for chores will be a step in helping them learn to save.

**SET GOALS** — Setting savings goals is a way for your child to understand the value of saving and what a savings rate is. You can help them understand how long it will take to reach that goal based on how much of their weekly al-

lowance they put toward the goal.

**A PLACE TO SAVE** — Kids need a place to save their money, so take your child to a bank or credit union to open a savings account. This will allow them to see how their savings grows over time, as well as the progress they are making toward their savings goals.

**TRACK SPENDING** — Knowing where your money goes is a big part of being a better saver. Have your child write down their purchases and then at the end of the month add them all up. Just like adults, this can be an eye-opener. Help your child understand that if they change their spending habits, they will be able to more quickly reach their savings goals.

**MISTAKES ARE A GOOD LESSON** — A parent's natural reaction is to step in to prevent mistakes, but part of learning to control money is letting your child learn from their mistakes. A bad purchase decision can be a great lesson to understanding that a savings goal will now take much longer than they thought based on decisions they made. ○○○

- Insurance to cover catastrophes. At a minimum, review your coverage for life, medical, homeowners, auto, disability income, and personal liability insurance. Over time, your insurance needs are likely to change, so you may find yourself with too much or too little insurance.

### REVIEW YOUR ESTATE PLAN.

Take a fresh look at your estate-planning documents and review them every couple of years. Even if the increased exemption amounts mean your estate won't be subject to estate taxes, there are still reasons to plan your estate. You probably still need a will to provide for the distribution of your estate and name

guardians for minor children. You should also consider a durable power of attorney, which designates someone to control your financial affairs if you become incapacitated, as well as a healthcare proxy, which delegates healthcare decisions to someone else when you are unable to make them.

If you'd like help evaluating your finances, please call. ○○○



## LEAVING A LEGACY

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physical property, like real estate or artwork, as not all charities will want or be able to accept such donations, or if you plan to place restrictions on how the gift is used.

**3. CREATE A CHARITABLE REMAINDER TRUST.** If you would like to make a substantial gift to a charity but also want to provide for your heirs or continue to receive income during your lifetime, a charitable remainder trust (CRT) may be an option. Here's how it works: You transfer property to the trust (and get a tax deduction at the time of the transfer), and you or your heirs receive income from the trust for a specified period of time. Then, when that period ends, the remaining assets go to the charity of your choice. A word of caution: CRTs are irrevocable, which means once you've made this decision, you can't reverse it.

**4. SET UP A DONOR-ADVISED FUND.** Know that you want to leave money to a charity, but not ready to hand it over just yet? Consider setting up a donor-advised fund. A donor-advised fund allows you to make contributions to a fund that is earmarked for charity and claim the associated tax deduction in the year you contribute the funds. You continue to make more contributions to the fund, which are invested and grow free of tax. Then, when you are ready, you can choose a charity to receive all or some of the accumulated assets. It's a great way to earmark funds for charity now while also accumulating a more substantial amount of money to leave as a legacy.

**5. FUND A SCHOLARSHIP.** Endowing a scholarship is a great way to make a difference in the life of a talented student. Here's how it typically works: You give a certain amount of money to the school of your choice, which earmarks it to fund scholarships, often for certain types of students (e.g., female math majors, former foster children, or peo-

## DO YOU REALLY NEED A WILL?

**M**any people believe they don't need a will. But how valid are common reasons for not preparing a will?

**YOUR ESTATE IS TOO SMALL.** Some believe that if their estate won't be subject to estate taxes (in 2021, your taxable estate must be over \$11.7 million before estate taxes would be owed), there is no need for a will. However, a will's purpose is not to save estate taxes, but to:

- **PROVIDE FOR THE DISTRIBUTION OF YOUR ASSETS.** Without a will or other estate-planning documents, your estate will be distributed in accordance with state law.
- **NAME GUARDIANS FOR MINOR CHILDREN.** Without a will, the courts decide who will raise minor children when both parents die.
- **SELECT AN EXECUTOR FOR YOUR ESTATE.** The executor assembles and values your assets; files income, estate, and inheritance tax returns; distributes assets; and accounts for all transactions. You will typically be in a better position to decide who should

be named executor of your estate.

**ALL YOUR PROPERTY IS JOINTLY OWNED.** When one owner dies, jointly-owned property passes directly to the joint owner, regardless of provisions in a will. Also, the unlimited marital deduction allows you to leave any amount of your estate to your spouse without paying estate taxes. Thus, many married couples use joint property ownership as their sole estate planning technique. However, individuals with very large estates may save estate taxes by distributing some assets to other heirs or there may be other reasons to distribute some assets to other heirs.

**A LIVING TRUST WILL DISTRIBUTE YOUR ASSETS.** Only assets actually conveyed to the living trust are controlled by the trust document. Typically a pour-over will is also needed, which places any asset not held by the trust at your death in the trust.

**YOU EXPECT YOUR ESTATE TO GROW SIGNIFICANTLY IN THE FUTURE.** Some feel it is premature to plan their estate while it is being built. However, a will can be changed. ○○○

ple suffering from a certain disease). Other scholarships are established through community foundations. A seed gift of \$25,000 or \$50,000 may be enough to get started. Be aware, however, that while you may be able to have a say in selection criteria for the scholarship, there's a good chance you won't be able to select the recipient yourself. If you want to do that, you'll need to distribute the money in another way, perhaps by setting up your own nonprofit organization.

**6. START A FOUNDATION.** Starting a family foundation is appealing to many, especially those who like the idea of having greater control over how their money is used as well as

the prestige that comes with running a foundation. Well-managed private foundations can also endure for many generations after you're gone. But you'll need substantial assets to make setting up a foundation worth it. Plus, foundations are complicated and expensive to set up and administer. But, if you are committed to the idea of giving back, and especially if you want to keep the entire family involved in giving (a concern for many wealthy families), a private foundation could be the way to go.

Curious about steps you can take to leave a meaningful legacy? Please call to discuss this topic in more detail. ○○○

## FINANCIAL DATA

Indicator	Month-end				
	Jan-21	Feb-21	Mar-21	Dec-20	Mar-20
Prime rate	3.25	3.25	3.25	3.25	3.25
Money market rate	0.10	0.08	0.10	0.20	0.34
3-month T-bill yield	0.08	0.03	0.02	0.10	0.09
20-year T-bond yield	1.68	2.08	2.31	1.45	1.15
Dow Jones Corp.	2.04	2.32	2.42	1.93	3.81
30-year fixed mortgage	1.97	2.49	2.54	1.91	2.41
GDP (adj. annual rate)#	-31.40	+33.40	+4.30	+4.30	+2.10

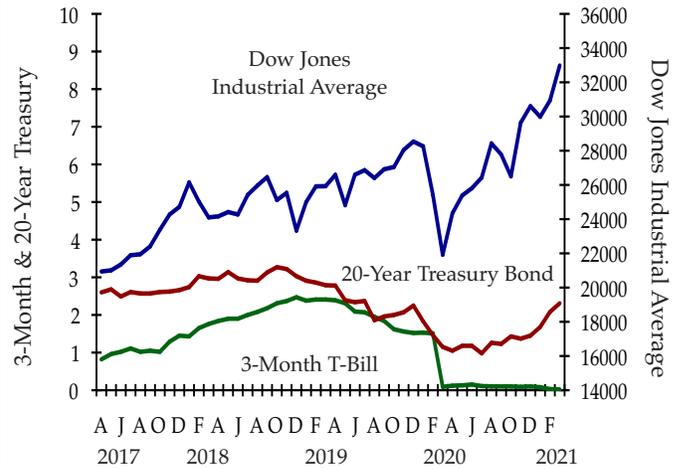
Indicator	Month-end			% Change	
	Jan-21	Feb-21	Mar-21	YTD	12 Mon.
Dow Jones Industrials	29982.62	30932.37	32981.55	7.8%	50.5%
Standard & Poor's 500	3714.24	3811.15	3972.89	5.8%	53.7%
Nasdaq Composite	13070.69	13192.35	13246.87	2.8%	72.0%
Gold	1863.80	1742.85	1691.05	-10.4%	5.1%
Consumer price index@	260.47	261.58	263.01	1.1%	1.7%
Unemployment rate@	6.70	6.30	6.20	-7.5%	77.1%

# — 2nd, 3rd, 4th quarter @ — Dec, Jan, Feb Sources: *Barron's*, *Wall Street Journal*

Past performance is not a guarantee of future results.

## 4-YEAR SUMMARY OF DOW JONES INDUSTRIAL AVERAGE, 3-MONTH T-BILL & 20-YEAR TREASURY BOND YIELD

APRIL 2017 TO MARCH 2021



## NEWS AND ANNOUNCEMENTS

### HANDLING THE FINANCIAL ASPECTS OF A DEATH

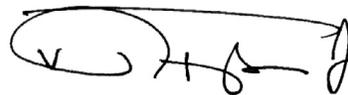
The emotional trauma of dealing with a loved one's death can be devastating. If you also have to handle the financial aspects, it can seem overwhelming. Following is a checklist to consider:

- Your most immediate concern will be to notify family and friends of the death and to make funeral arrangements. If you aren't sure of the deceased's burial wishes, look for a letter of instruction or a will that details preferences. You'll probably need to contact a funeral home as well as your loved one's religious organization. An obituary will need to be prepared, a burial site may need to be purchased, and death certificates must be obtained.
- If a surviving spouse and/or minor children are involved, evaluate their means of support and determine whether care for the dependents needs to be obtained. In terms of the loved one's home, you may need to deal with security at the residence, provide for the care of pets,

send mail to another location, and arrange for the care or disposal of perishable property, such as plants and food.

- Locate any safe deposit boxes and follow necessary procedures to have them opened.
- If the deceased was employed, contact his/her employer to start the process of collecting any outstanding pay, life insurance proceeds, or other benefits. If the deceased was retired, notify Social Security and any pension plans.
- Locate important documents, including wills, trusts, deeds, investment records, insurance policies, business and partnership arrangements, and other evidence of assets and liabilities.
- Depending on the estate's complexity, you may need to retain an attorney, accountant, and/or financial advisor.

FR2020-1127-0087

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