

A decorative graphic in the top-left corner consisting of a cluster of overlapping circles in shades of blue, gold, and brown. Several white lightbulb icons are scattered throughout the circles, some appearing to glow.

Top Financial Questions  
You Want Answered  
in 2018

*Living  
Wisely*

# Top Financial Questions

## Session 1

### Investments

## Session 2

### Taxes

## Simplifying Your Finances

# What are the Keys to Successful Investing?



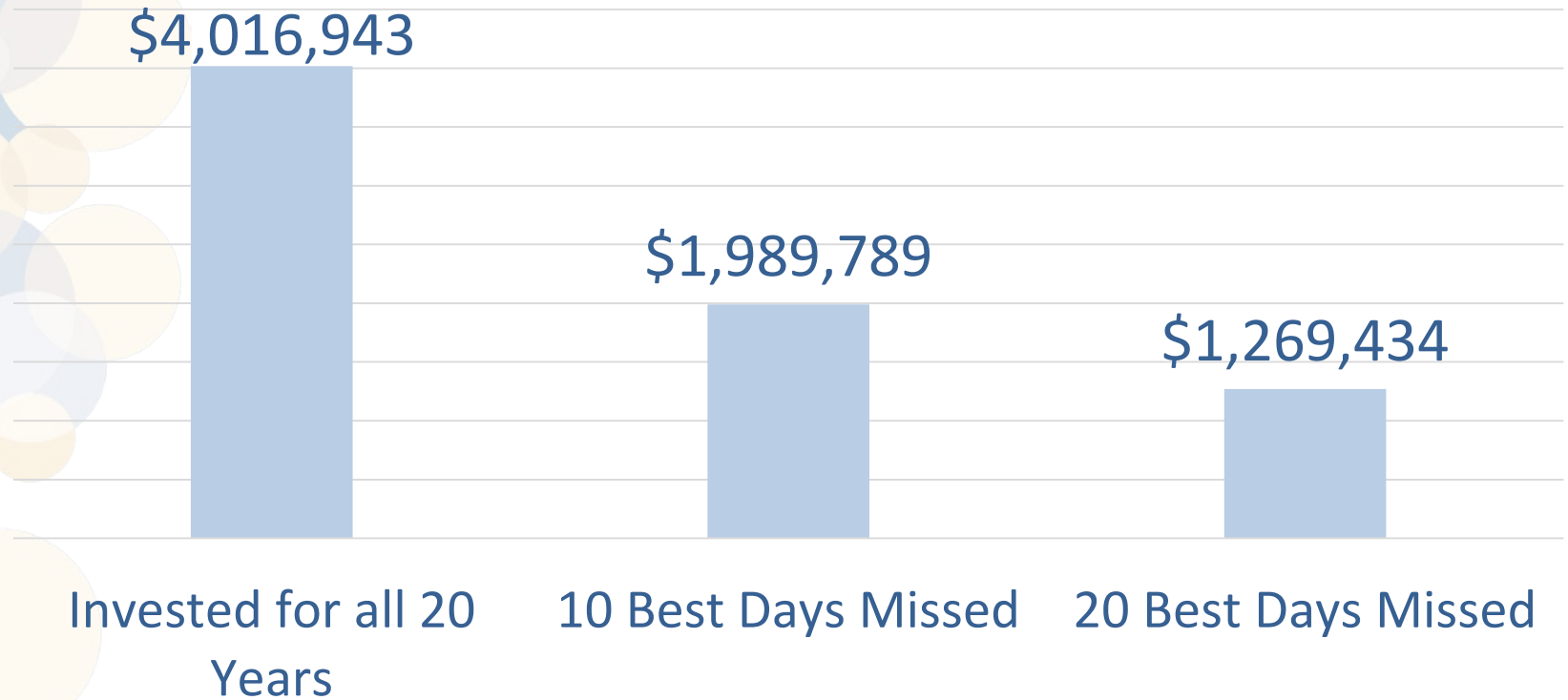
# Keys to Successful Investing

Enough but  
Not More

Staying  
Invested

# Risk of Missing the Best Days (1998-2017)

\$1,000,000 Invested in Large US Stocks

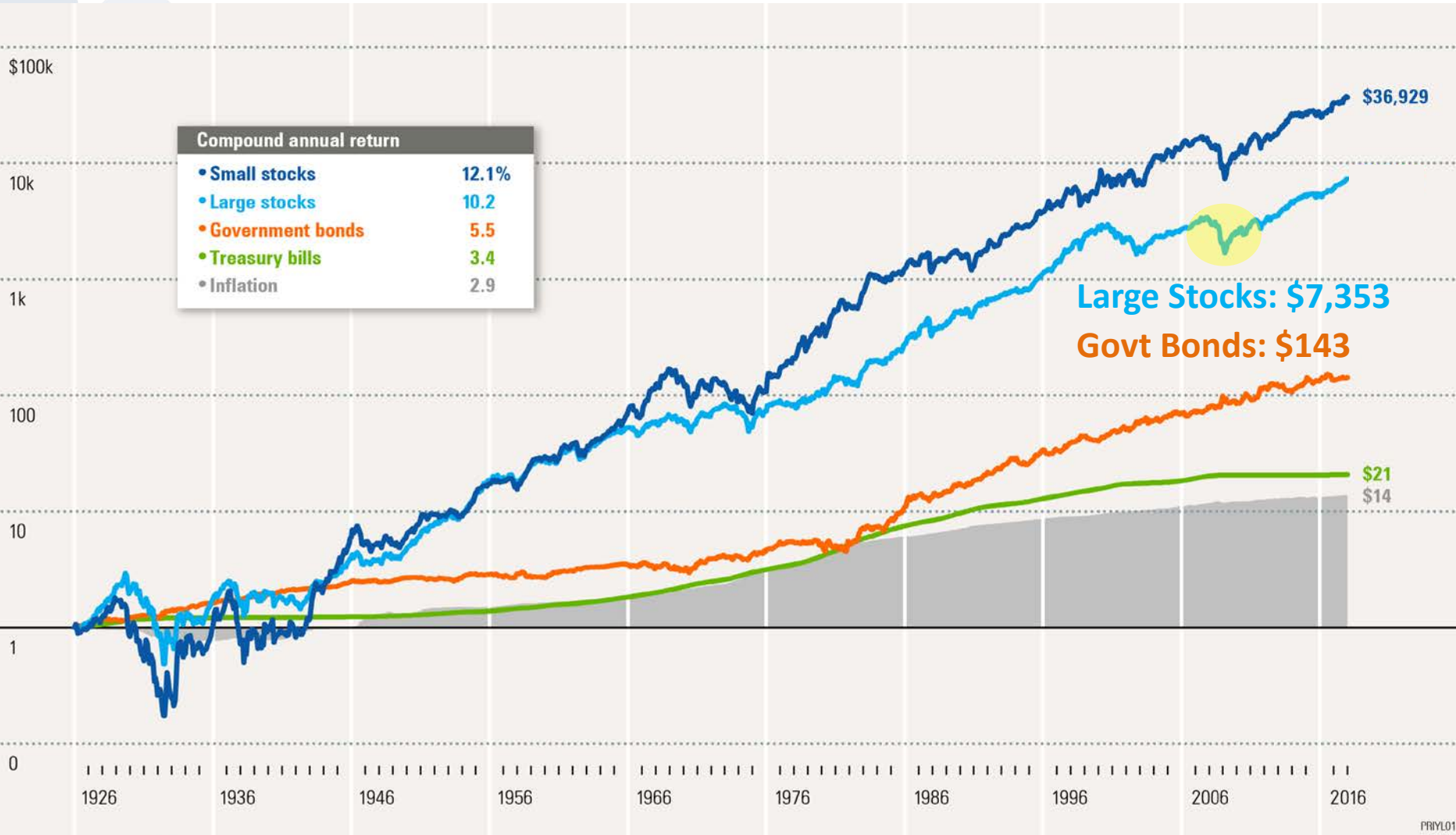


# Keys to Successful Investing

Enough but  
Not More

Staying  
Invested

# Enough But Not More



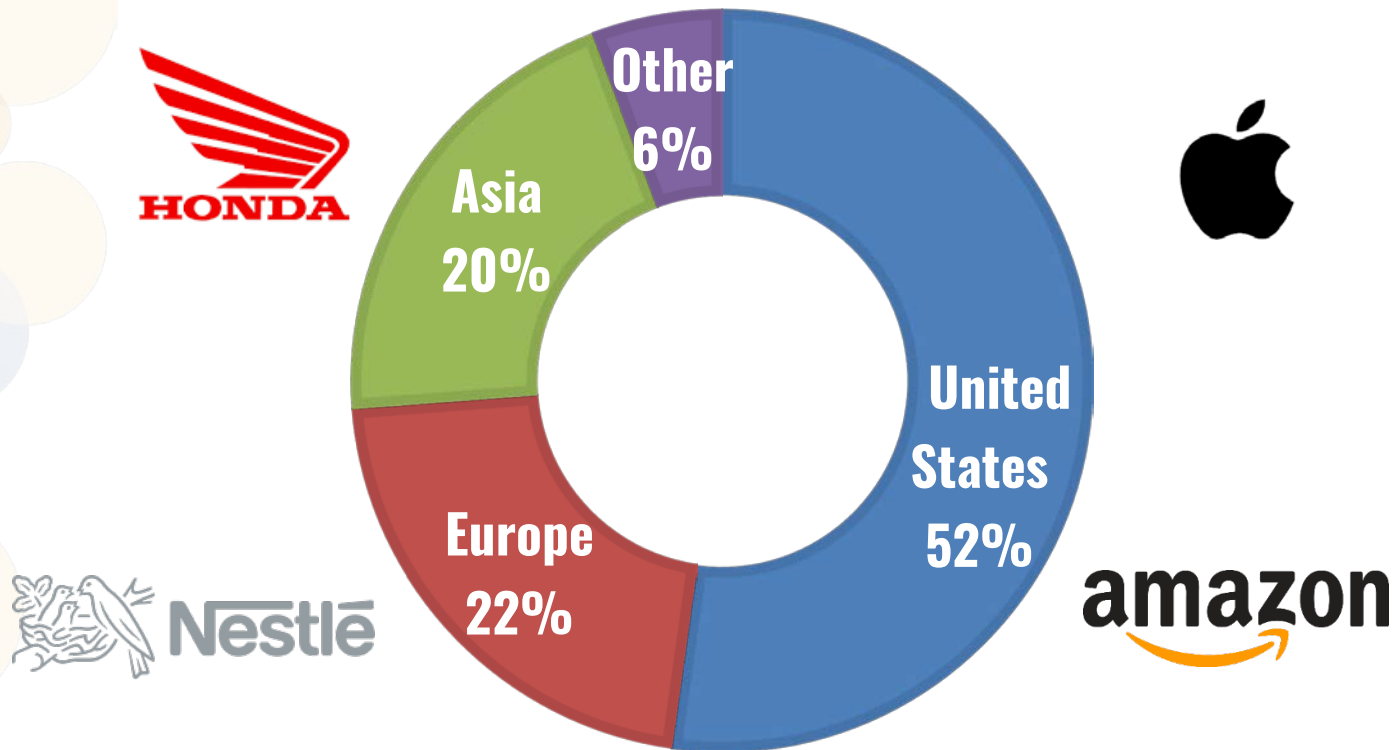


# Keys to Successful Investing



# Investment Opportunities World Wide

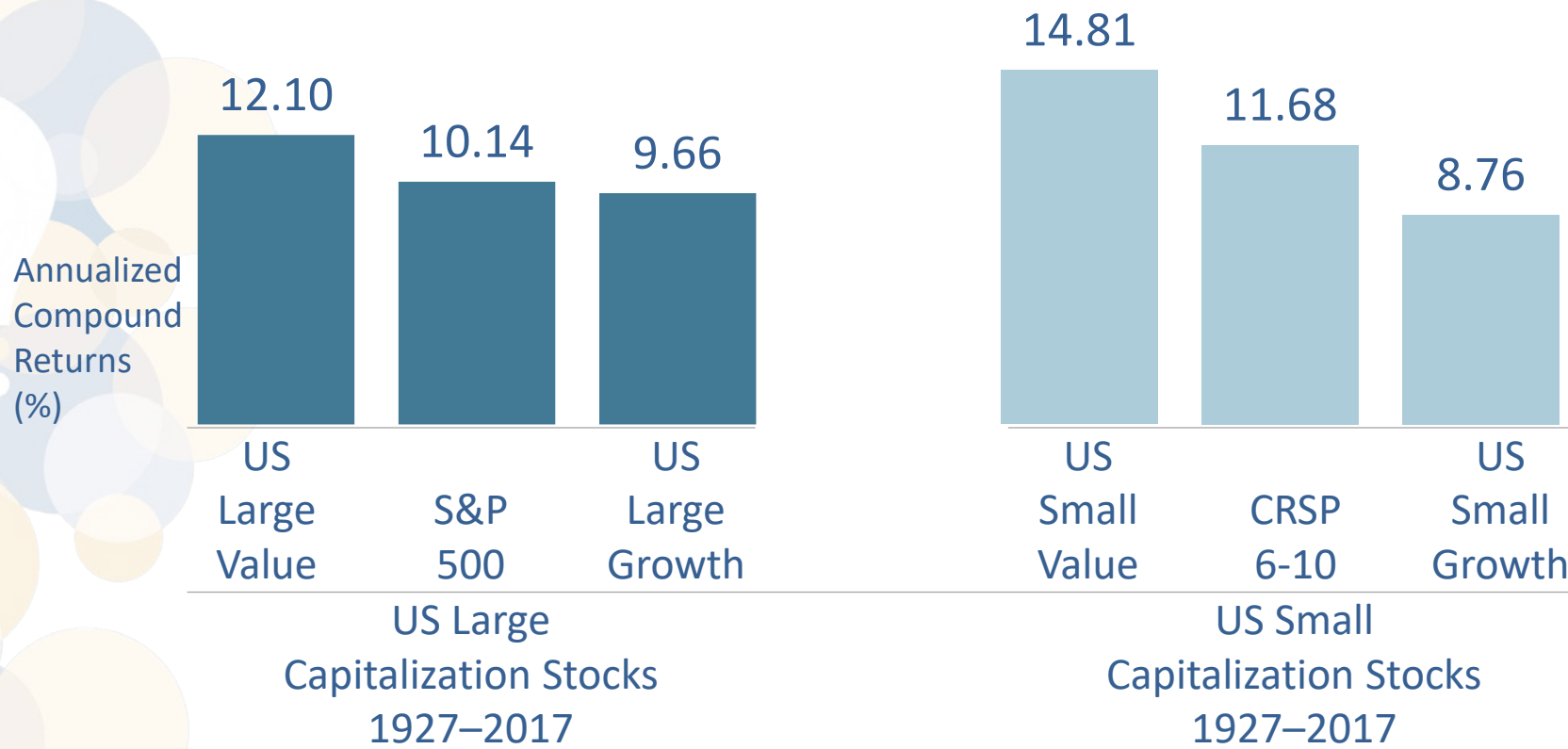
GLOBAL STOCK MARKET  
BY MARKET CAP



# Keys to Successful Investing



# Size & Value Effects are Strong



In US dollars. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. US value and growth Research index data provided by Fama/French. The S&P data are provided by Standard & Poor's Index Services Group. CRSP data provided by the Center for Research in Security Prices, University of Chicago. Asset class filters were applied to data retroactively, rebalanced annually, and with the benefit of hindsight. Asset class returns are not representative of indices or actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower.

Values change frequently and past performance may not be repeated. There is always the risk that an investor may lose money. Small company risk: Securities of small firms are often less liquid than those of large companies. As a result, small company stocks may fluctuate relatively more in price. Emerging markets risk: Numerous emerging countries have experienced serious, and potentially continuing, economic and political problems. Stock markets in many emerging countries are relatively small, expensive, and risky. Foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. Foreign securities and currencies risk: Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the US dollar).

# Keys to Successful Investing



## Keeping Costs Low

- Mutual fund and Exchange Traded Fund (ETF) costs
- Trading costs
- Taxes

# Keys to Successful Investing







# What Should I Consider When Investing My Assets?

## Key Considerations

- Your personal objectives
- Time horizon
- Ability to withstand volatility
- Ability to recover from losses
- Cost

# What Am I Saving For?



# When Do I Need the Money?



# Retirement Doesn't Mean Cashing Out



© Can Stock Photo

# What If...?



# What Should I Consider When Investing My Assets?

- Focus on your goals
- Tolerance for ups and downs
- Don't focus on opportunity or risk

# Should I Be Worried About Today's Headlines?

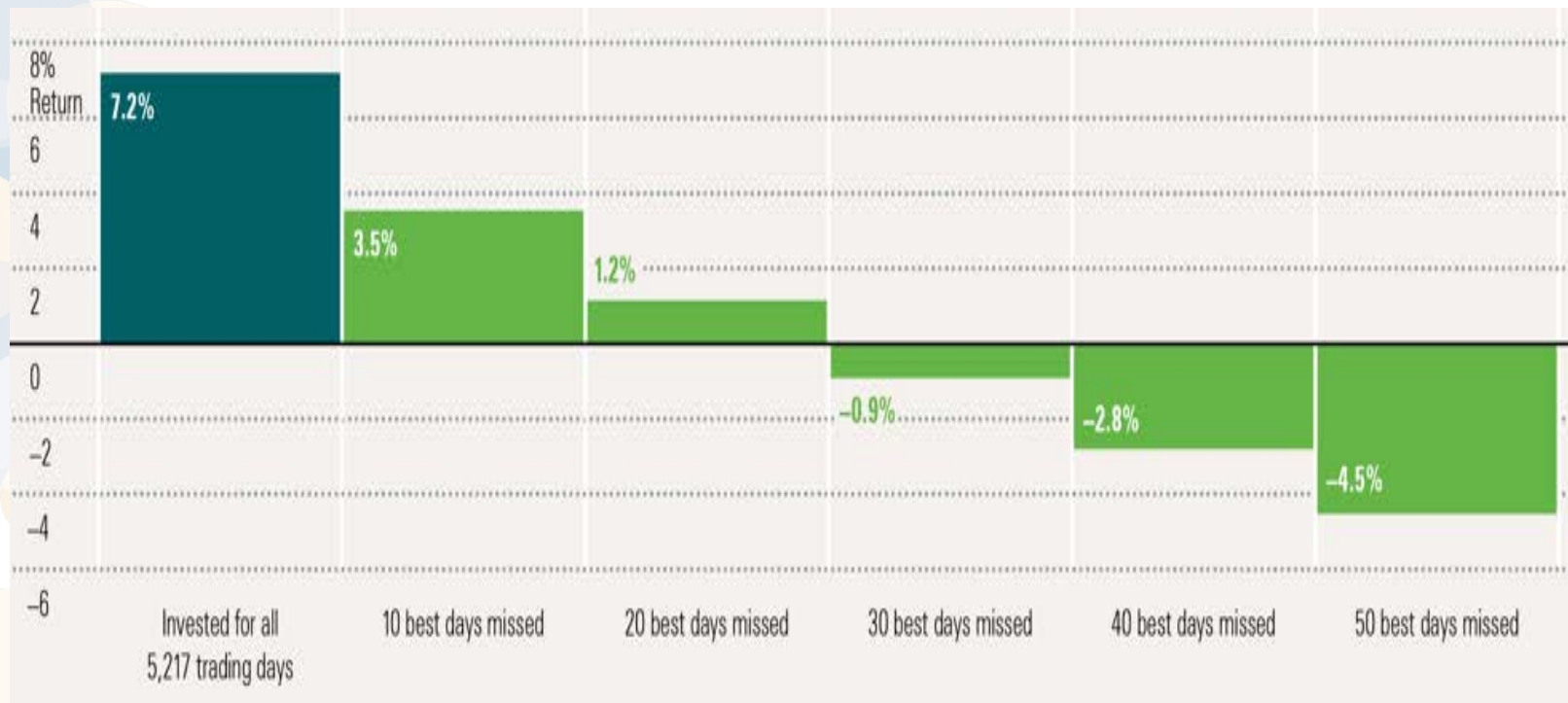




## Mute the Noise

- Headlines create risks and opportunities
- Knee-jerk reactions to today's news more often result in underperformance





# Risk of Missing the Best Days (1998-2017)





# How Can I Make the New Tax Laws Work for Me?

# The New Tax Laws- What's Changed?

- Tax rates are lower 
- The standard deduction is higher 
- Exemptions are gone 
- Itemized deductions are limited 

# Schedule A – Itemized Deductions

SCHEDULE A (Form 1040)		Itemized Deductions		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (IRS)		Go to <a href="http://www.irs.gov/ScheduleA">www.irs.gov/ScheduleA</a> for instructions and the latest information. Attach to Form 1040.		2017 Attachment Sequence No. 07	
Name(s) shown on Form 1040		Your social security number			
<b>Medical and Dental Expenses</b>	<b>Caution:</b> Do not include expenses reimbursed or paid by others. 1 Medical and dental expenses (see Instructions) . . . . . 1 2 Enter amount from Form 1040, line 38 2 3 Multiply line 2 by 7.5% (0.075) . . . . . 3 4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- . . . . . 4				
<b>Taxes You Paid</b>	5 State and local (check only one box): a <input type="checkbox"/> Income taxes, or b <input type="checkbox"/> General sales taxes . . . . . 5 6 Real estate taxes (see Instructions) . . . . . 6 7 Personal property taxes . . . . . 7 8 Other taxes. List type and amount ▶ . . . . . 8 9 Add lines 5 through 8 . . . . . 9				
<b>Interest You Paid</b>	10 Home mortgage interest and points reported to you on Form 1098 . . . . . 10 11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see Instructions and show that person's name, identifying no., and address ▶ Note: Your mortgage interest deduction may be limited (see instructions). . . . . 11 12 Points not reported to you on Form 1098. See Instructions for special rules . . . . . 12 13 Mortgage insurance premiums (see Instructions) . . . . . 13 14 Investment interest. Attach Form 4952 if required. See Instructions . . . . . 14 15 Add lines 10 through 14 . . . . . 15				
<b>Gifts to Charity</b>	16 Gifts by cash or check. If you made any gift of \$250 or more, see Instructions . . . . . 16 17 Other than by cash or check. If any gift of \$250 or more, see Instructions. You must attach Form 8283 if over \$500 . . . . . 17 18 Carryover from prior year . . . . . 18 19 Add lines 16 through 18 . . . . . 19				
<b>Casualty and Theft Losses</b>	20 Casualty or theft loss(es) other than net qualified disaster losses. Attach Form 4684 and enter the amount from line 18 of that form. See Instructions . . . . . 20				
<b>Job Expenses and Certain Miscellaneous Deductions</b>	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. See Instructions. ▶ . . . . . 21 22 Tax preparation fees . . . . . 22 23 Other expenses—investment, safe deposit box, etc. List type and amount ▶ . . . . . 23 24 Add lines 21 through 23 . . . . . 24 25 Enter amount from Form 1040, line 38 25 26 Multiply line 25 by 2% (0.02) . . . . . 26 27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0- . . . . . 27				
<b>Other Miscellaneous Deductions</b>	28 Other—from list in Instructions. List type and amount ▶ . . . . . 28				
<b>Total Itemized Deductions</b>	29 Is Form 1040, line 38, over \$156,900? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the Instructions to figure the amount to enter. 30 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>				

Medical and Dental  
State and Local Taxes

Mortgage Interest

Gifts to Charity

Miscellaneous



38 Amount from line 37 (adjusted gross income) 38

39a Check  You were born before January 2, 1953,  Blind. Total boxes  
 if:  Spouse was born before January 2, 1953,  Blind. checked ▶ 39a

b If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40

41 Subtract line 40 from line 38 41

42 Exemptions. If line 38 is \$156,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions 42

43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43

44 Tax (see instructions). Check if any from: a  Form(s) 8814 b  Form 4972 c  44

45 Alternative minimum tax (see instructions). Attach Form 6251 45

46 Excess advance premium tax credit repayment. Attach Form 8962 46

**Tax and Credits**

**Standard Deduction for—**

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

- All others:
  - Single or Married filing separately, \$6,350
  - Married filing jointly or Qualifying widow(er), \$12,700
  - Head of household, \$9,350

39a Check  You were born before January 2, 1953,  Blind. Total boxes  
 if:  Spouse was born before January 2, 1953,  Blind. checked ▶ 39a

b If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40

41 Subtract line 40 from line 38 41

42 Exemptions. If line 38 is \$156,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions 42

43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43

44 Tax (see instructions). Check if any from: a  Form(s) 8814 b  Form 4972 c  44

45 Alternative minimum tax (see instructions). Attach Form 6251 45

46 Excess advance premium tax credit repayment. Attach Form 8962 46

47 Add lines 44, 45, and 46 47

48 Foreign tax credit. Attach Form 1116 if required 48

49 Credit for child and dependent care expenses. Attach Form 2441 49

50 Education credits from Form 8863, line 19 50

51 Retirement savings contributions credit. Attach Form 8880 51

52 Child tax credit. Attach Schedule 8812, if required 52

53 Residential energy credits. Attach Form 5695 53

54 Other credits from Form: a  3800 b  8801 c  54

55 Add lines 48 through 54. These are your total credits 55

56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0- 56

77 Amount of line 75 you want applied to your 2018 estimated tax ▶ 77

Amount You Owe

78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions ▶ 78

79 Estimated tax penalty (see instructions) 79

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)?  Yes. Complete below.  No

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature Date Your occupation Daytime phone number

Spouse's signature. If a joint return, both must sign. Date Spouse's occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only Print/Type preparer's name Preparer's signature Date Check  if self-employed PTIN

Firm's name ▶ Firm's EIN ▶ Firm's address ▶ Phone no. ▶



# Changing Deductions

Example: (Joe and Susan, Age 70, \$80,000 income)

Item	Amount	2017	2018
Medical expenses	\$7,500	\$1,500	\$1,500
Property taxes	\$6,000	\$6,000	\$10,000
State income taxes	\$6,500	\$6,500	
Mortgage interest	\$3,000	\$3,000	\$2,000
Charitable gifts	\$8,000	\$8,000	\$8,000
Professional fees	<u>\$4,000</u>	<u>\$4,000</u>	<u>\$0</u>
<b>Total</b>	<b>\$35,000</b>	<b>\$29,000</b>	<b>\$21,500</b>
<b>Standard deduction</b>		\$12,700	\$26,600

# Tax Planning For 2018 and Beyond

- Bunch your deductions
- Leverage your charitable giving
- Business and real estate tax deductions
- Shelter your savings
- Review your estate plan

# Bunch Your Deductions

Strategy: Time payment of deductible expenses so you can itemize deductions every other year.

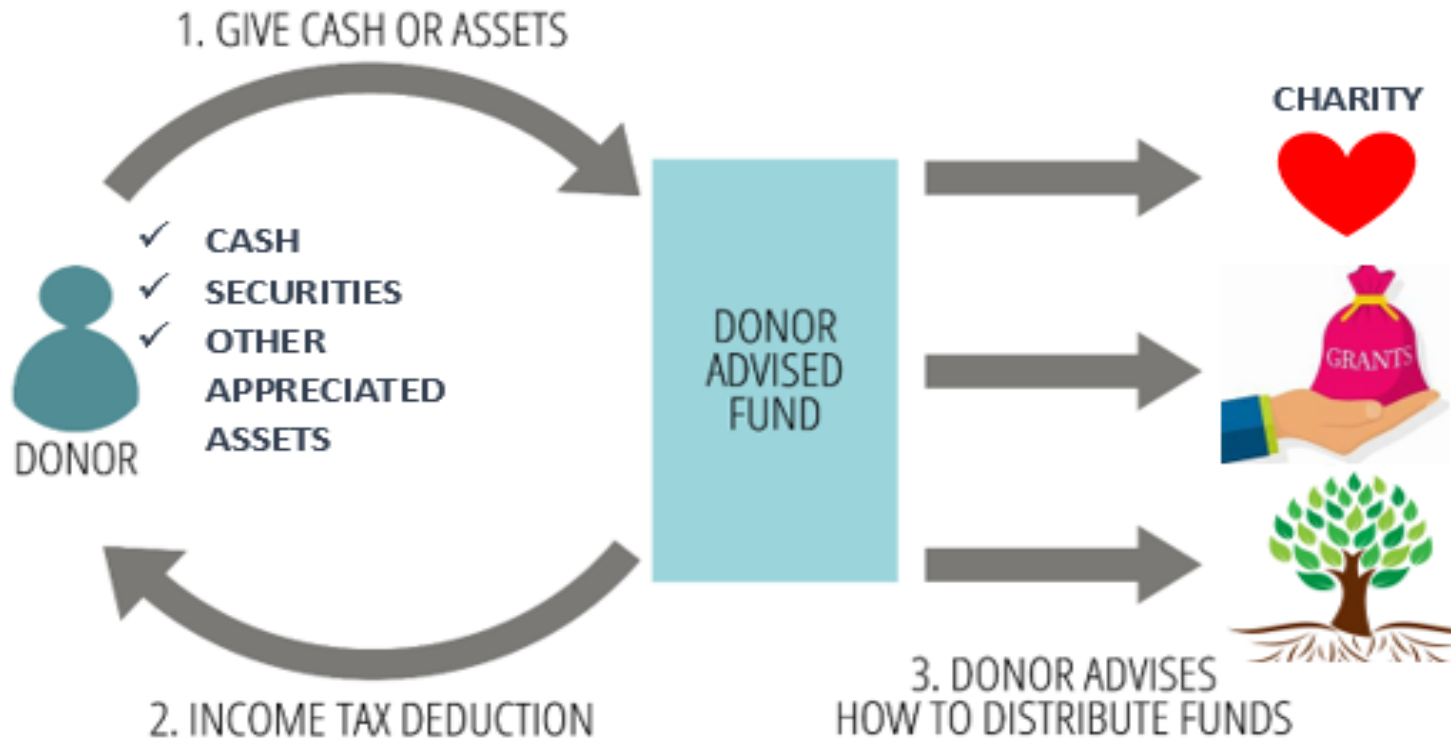
**Example:** (Couple, Age 70, \$80,000 income)

Item	Amount	2018	2019
Medical expenses	\$7,500	\$1,500	\$0
Property taxes	\$6,000	\$10,000	\$10,000
State income taxes	\$6,500		
Mortgage interest	\$3,000	\$2,000	\$2,000
Charitable gifts	\$8,000	\$8,000	\$8,000
Professional fees	<u>\$4,000</u>	<u>\$0</u>	<u>\$0</u>
<b>Total</b>	<b>\$35,000</b>	<b>\$21,500</b>	<b>\$20,000</b>
<b>Standard deduction</b>		<b>\$26,600</b>	<b>\$26,600</b>

# Bunch Your Deductions

Item	Amount	2018	2019
Medical expenses	\$7,500	\$1,500	\$0
Property taxes	\$6,000	\$10,000	\$10,000
State income taxes	\$6,500		
Mortgage interest	\$3,000	\$2,000	\$2,000
Charitable gifts	\$8,000	<b>\$16,000</b>	\$0
Professional fees	<u>\$4,000</u>	<u>\$0</u>	\$0
<b>Total</b>	<b>\$35,000</b>	<b>\$29,500</b>	<b>\$12,000</b>
<b>Standard deduction</b>		\$26,600	\$26,600

# Leverage Your Charitable Giving Donor Advised Funds



## Why Donor Advised Funds?

- Bunch your charitable deductions
- Make the donations you want
- Plan for a charity/socially impactful legacy

# Leverage Your Charitable Giving

## Give directly from your IRA

- Not for everyone
- IRA owners age 70.5
- Not for very small gifts



# Leverage Your Charitable Giving

## Why give from your IRA?

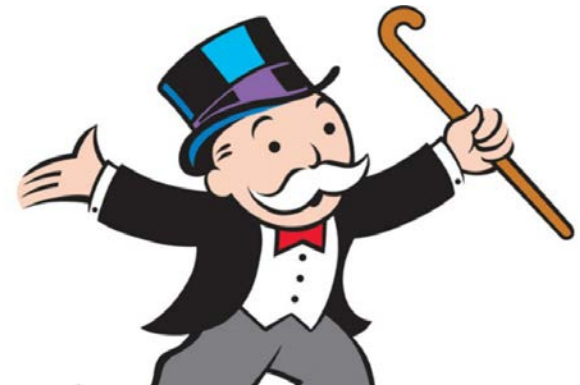
- Reduce GROSS income
- Medicare premium surcharges
- Social Security tax
- Obamacare tax





# Business and Real Estate

- Business deductions versus personal
- Qualified Business Income (QBI) deduction
- Don't try this at home!



# Shelter Your Income

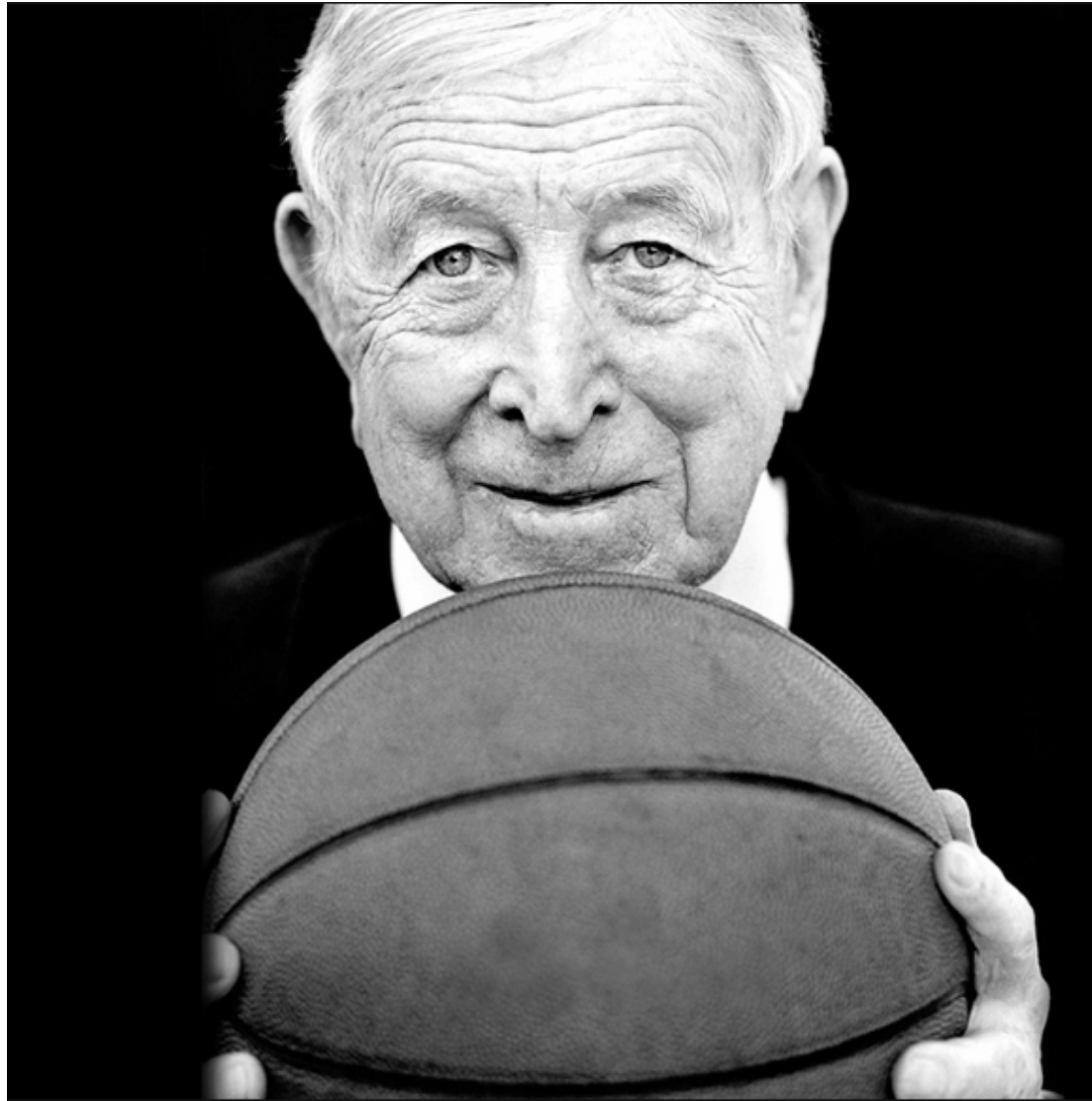
- Retirement plans
- IRAs and Roth IRAs
- 529s
- Tax-free bonds
- Tax efficient investing



## Review Your Estate Plan

- Estate tax strategies not needed for most
- Estate planning is still important
  - Avoid probate
  - Maintain control
- Keep it simple!
- Example: Joe and Susan's ABC Trust

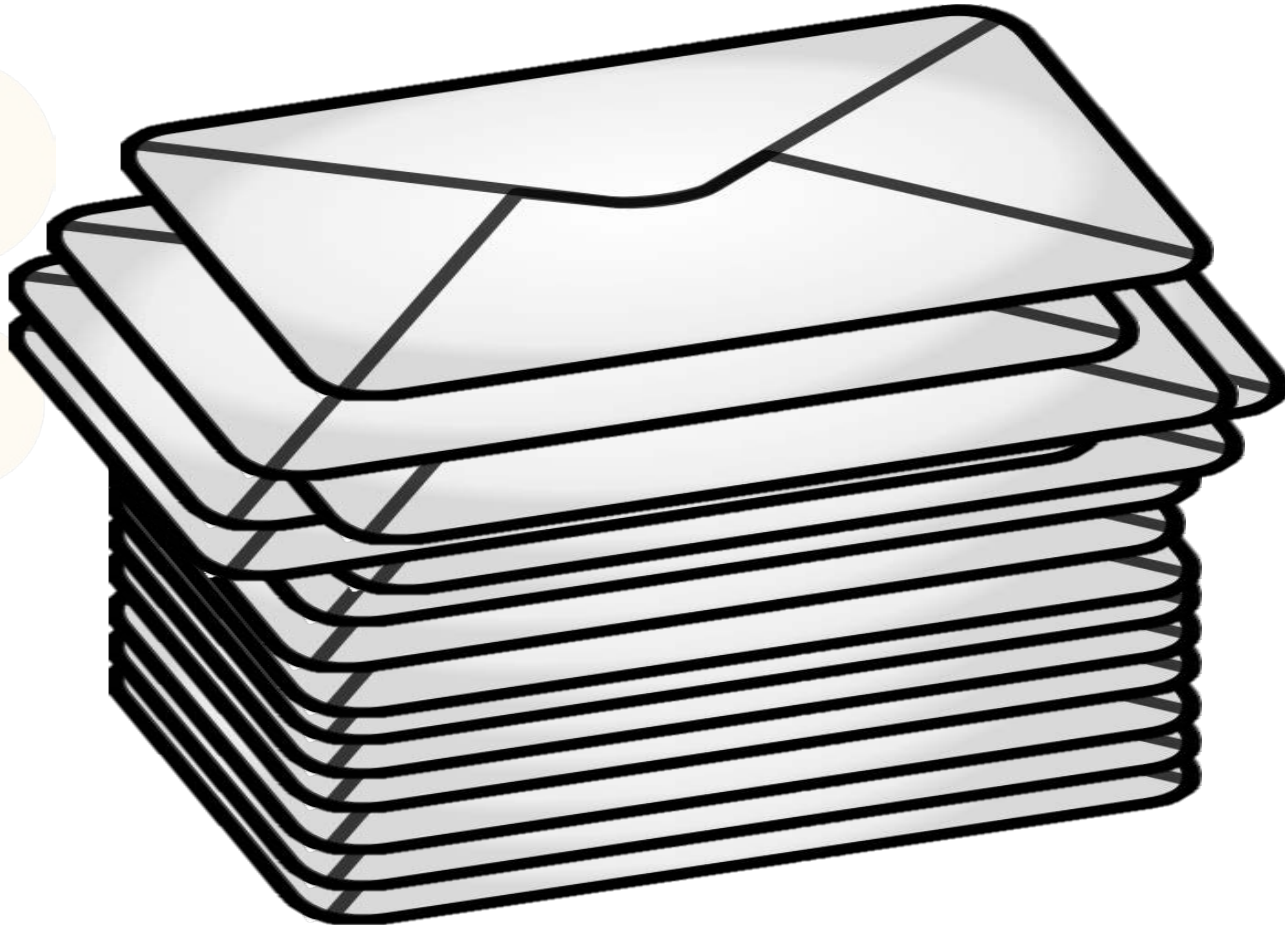
# How Can I Simplify My Finances?



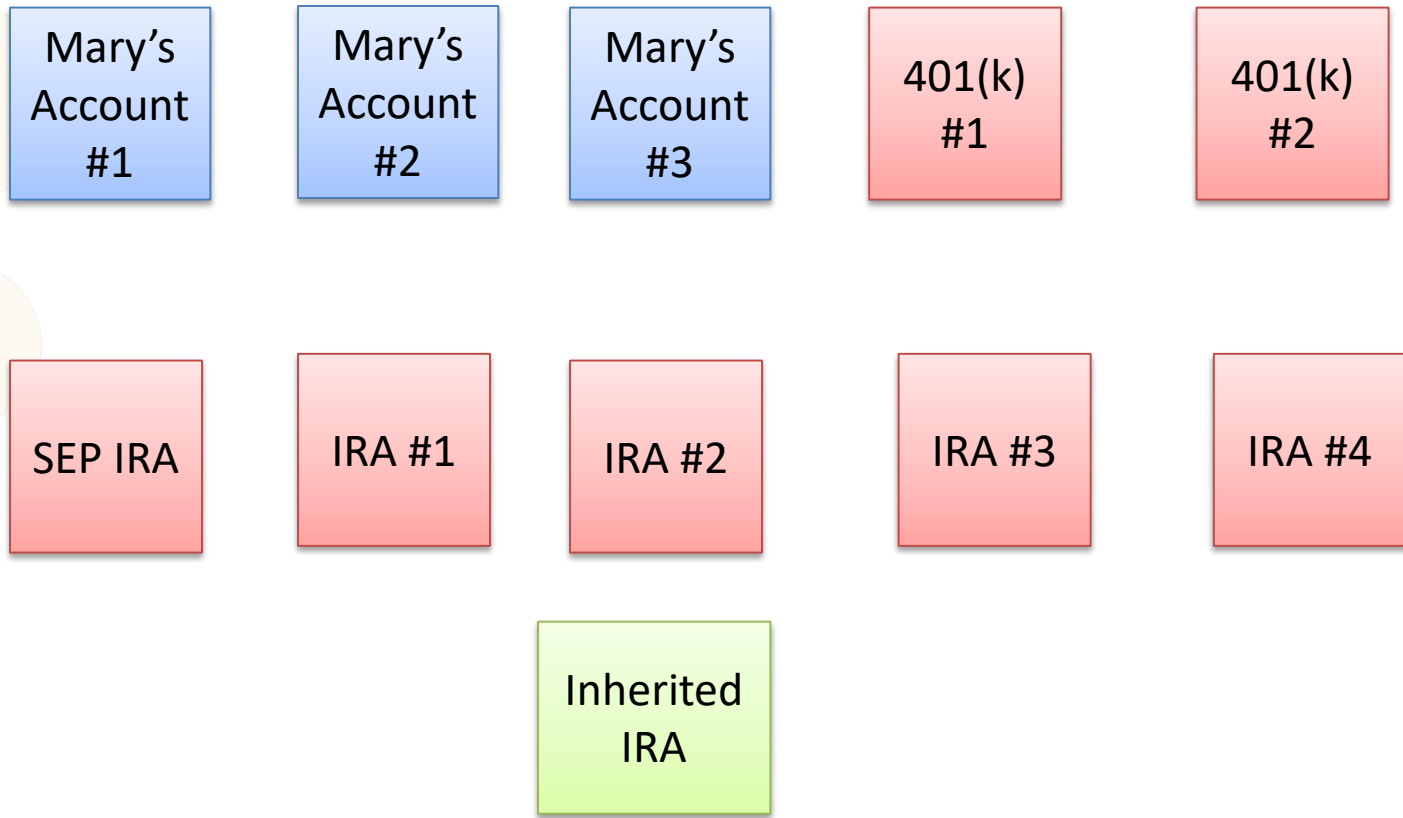
The more you make things complicated, the more there is to learn. Keep things as simple as you can and you have a chance to do them better. I'd always rather do a few things well.

**John Wooden**

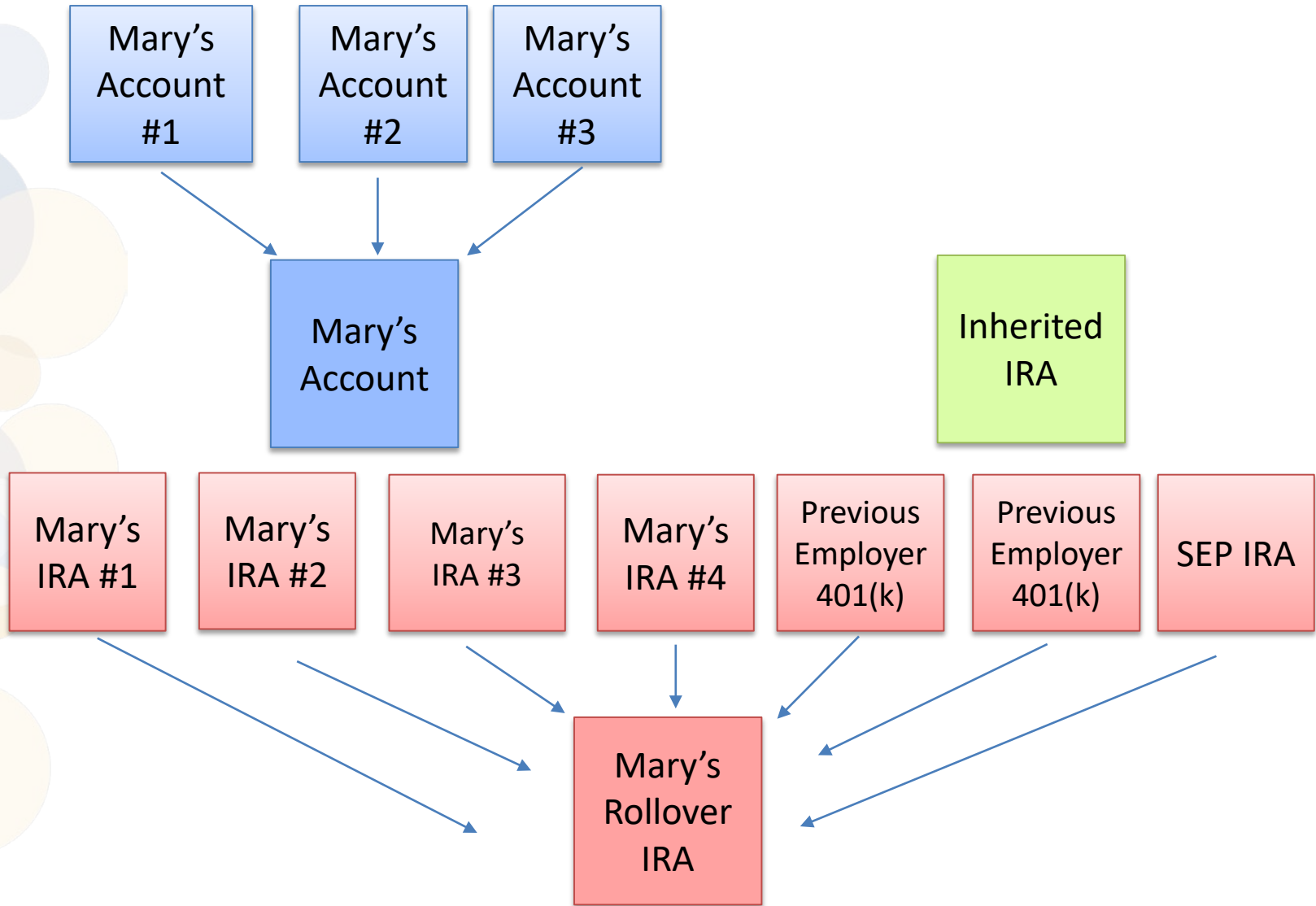
# More Accounts = More Complexity



# Consolidate Accounts







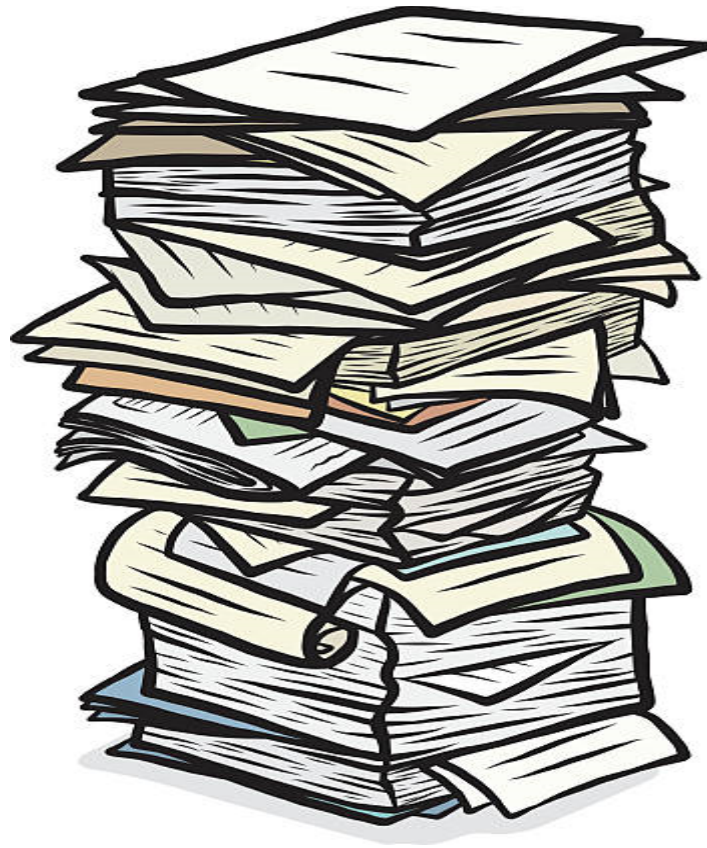
## Advantages of Fewer Accounts

- Easier to review and track
- Less forms to gather at year end for taxes
- Create a better strategy
- Easier to calculate and track required minimum distributions

# Embrace Technology



# Going Paperless



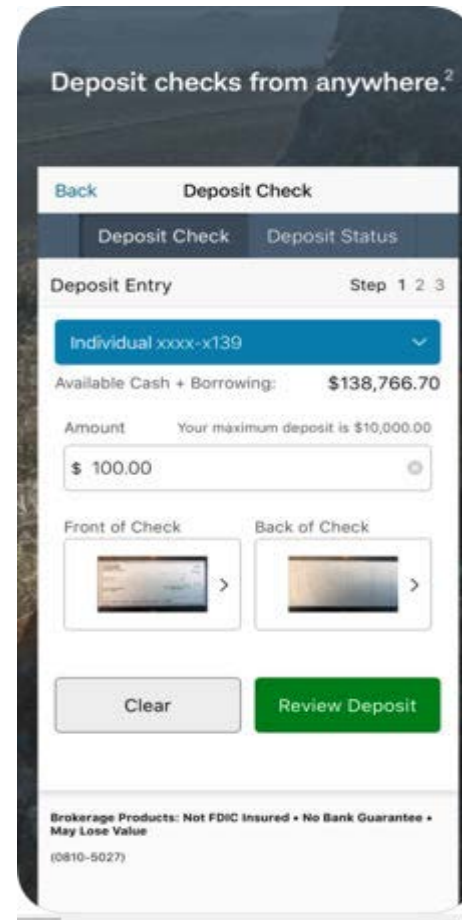
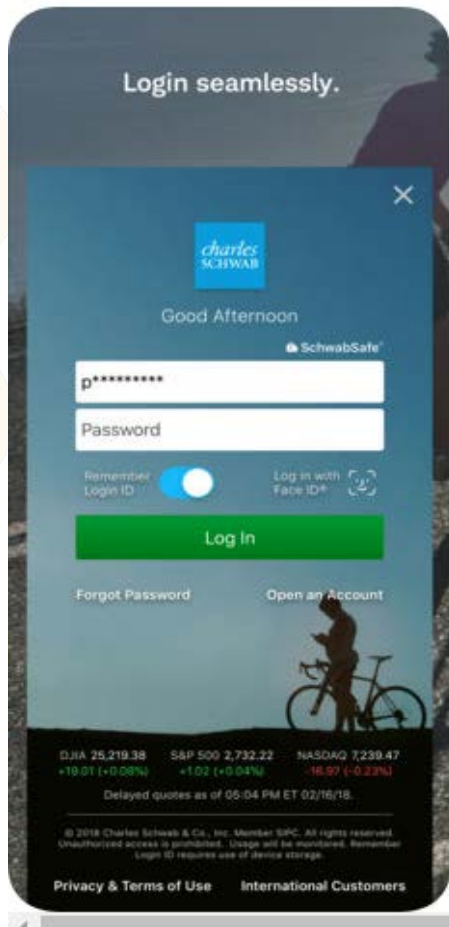
## Ways to Go Paperless

- Opt out of junk mail lists
  - DMA Choice
  - Catalog Choice
- Sign up for e-statements
- Pay bills online

## More Ways to Go Paperless

- Start purging and recycling
  - One small stack a day
  - Use our client document shredding service
- Scan paper documents
  - Don't forget a good backup system

# Mobile Apps



# Automate!!!



# Digital Wallets



## Digital Wallets

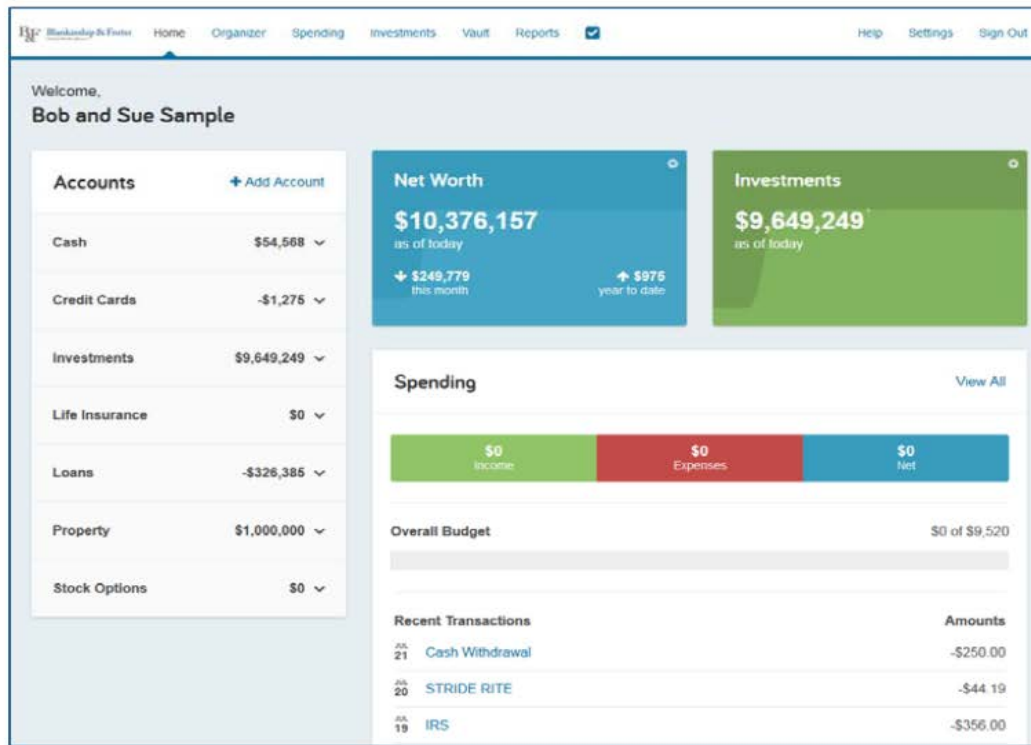
- An electronic device or online service that allows an individual to make electronic transactions.
- Generally, more secure than some traditional payment methods.

## Be Safe

- Use long passwords
- Use two factor authentication
- Be wary of free public Wi-Fi
- Minimize use of debit cards
- Review your bank and credit card statements frequently

# myorganiser

Your Personal Financial Website



## Organize

your financial accounts

## Simplify

with one platform

## Monitor

your financial progress

## Store

all your valuable documents

## Access

your accounts 24/7

## View

your net worth

## Trust

highest level of security protection

## Watch

your financial picture come to life

# MyOrgani\$er Document Vault

## Vault











New Folder

Upload Files

### Files

search by name

Search

Name ▲	Size	Shared	Created
 B&F Reports	0 Files	🟢	—
 Client Reports	0 Files	🟢	5/2/2017 at 2:40 pm
 Deeds	1 File	🟢	5/2/2017 at 2:40 pm
 Estate Planning	4 Files	🟢	5/2/2017 at 2:40 pm
 Insurance	5 Files	🟢	5/2/2017 at 2:40 pm
 Investments - 401(k) Recommendations - IPS	1 File	🟢	5/2/2017 at 2:40 pm
 My Documents	0 Files	🟢	5/2/2017 at 2:40 pm
 Personal Information	1 File	🟢	5/2/2017 at 2:40 pm
 Shared Documents	5 Files	🟢	5/2/2017 at 2:40 pm
 Taxes	1 File	🟢	5/2/2017 at 2:40 pm

Simplicity is the  
ultimate sophistication.

Leonardo da Vinci