Tele(k)

A Short Webinar Series Presented By

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1) It's Not Over

a. There is no reason to believe the volatility we have been seeing the past few months is over. But there is equally no reason to believe the market recovery is over either.
b. Volatility is part of the stock market. We know there will be downturns in the future just as we know the market is likely to continue to experience long-term growth.
c. Although we see downturns in the stock market from time to time, they have been significantly smaller in scale and shorter in duration than the positive markets. Leading to an average annualized rate of return 10%.
d. It is impossible to time the market and too many times people have missed out on significant gains trying to do just that. The best time to invest your money is when you have it.
e. It is important to keep things in perspective. Investing is a long-term strategy for generating wealth. The stock market could be higher or lower tomorrow than it is today, but over longer periods of time the market has always gone up. If you invest today will you be glad you made that decision in 10, 15, or even 20 years?

2) When to Get Out of Your Target Date Fund

a. The Target Date Fund (TDF) is designed to be the autopilot approach to investing. It is an excellent tool for the **average** investor who wants to be hands off with their investments.
b. Target Date Funds start off aggressively invested, focusing on growth which comes with necessary volatility. As the fund approaches the retirement target date, fund managers start to shift the investments to become more conservative.
c. TDFs work well when the funds can be allowed to grow untouched. The trouble is that as you near retirement, Target Date Funds limit you from being strategic when turning your investments into income. Because you are investing in one bundled mutual fund, you lose the customized approach available with using separate investment funds that can be held or sold to handle the varies market cycles.
d. If you are further away from retirement a TDF can be a great tool, but if you are 3-5 years away from retirement you should consider customizing your investment approach. We are more than happy to help you customize your investments to match **your** specific goals.

3) Actionable Steps

a. If you can afford to, invest more. There is no time like the present and your future self will thank you.
b. Take a deeper dive into your investments to see what is under the hood. Do the investments you have make sense for the goals you are trying to accomplish?
c. Take advantage of Health Savings Accounts.
    i. Money funded into HSA's are pre-tax for State, Federal, Social Security, and Medicare taxes.
    ii. If used for medical expenses, dollars come out of the HSA completely tax-free.
    iii. If instead used for income in retirement after age 65, only State and Federal taxes are paid (the same as a 401(k)) but Social Security and Medicare taxes are completely avoided.

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