

In this Issue:

- ◆ Peace of Mind 1
- ◆ This Wasn't *My* Plan 1
- ◆ The Power of Interest 4
- ◆ The Charitable Checkbook 5

Wealth Builder



SUMMER 2016



LEGACY WEALTH MANAGEMENT, LLC



PEACE OF MIND BY SERENITY MELNICK, CFP®

There's plenty to complain about these days. The weather, the stock market, the hooligan youth of our society... and don't even get anyone started on politics or the upcoming election. Our news feeds are full of tragic injustices of every kind and watching the evening news can make you not want to wake up the next morning. You can't shop at Target or bake a wedding cake without taking some kind of political stand and whatever you do, never read the comment section of a viral internet post; that's the quickest way to see the very worst of human behavior. Complaining has become not only socially acceptable but almost common courtesy. Not sure what to talk about with a stranger? Complain about the weather! Insult Donald Trump! Lament current oil prices! Our culture is a breeding ground for negativity.

Continued on page 2



THIS WASN'T *MY* PLAN BY LINDA EDEN-WALLACE, CFP®

"Life is what happens to you while you're busy making other plans." Sound familiar? These words were penned by John Lennon in the song he wrote for his son Julian, *Beautiful Boy*.

I can definitely relate. After sixteen years of being single, God has blessed me with another wonderful husband... and his children and grandchildren! I have been officially named "G Ma Linda" by our youngest granddaughter and my once small family circle has rapidly expanded. Our marriage is taking me down roads I never planned to go and it's changing my life in many ways.

Continued on page 3

“Don’t believe everything you hear and read. There are selfless acts of love performed every day, in every city, all over the world.”

PEACE OF MIND *Continued from p. 1*

And yet, did you know there is still good in the world? There are amazing people, all around the world who are doing incredible things. The good is often not reported on the news and it doesn’t always pop up in our Facebook pages, but it is out there. We have to choose to look for the good that is happening. It’s easy to be negative; it’s easy to give into fear and anger. We have to choose to look for and believe in the good reports. Philippians 4:8-9 in the Message Bible says it best: “Summing it all up, friends, I’d say you’ll do best by filling your minds and meditating on things true, noble, reputable, authentic, compelling, gracious—the best, not the worst; the beautiful, not the ugly; things to praise, not things to curse. Put into practice what you learned from me, what you heard and saw and realized. Do that, and God, who makes everything work together, will work you into His most excellent harmonies.” Another translation says “practice these things and the God of peace will be with you.”

We all want peace of mind. We all want the swirling negativity of this world to be quiet. We go on vacation or practice yoga or “unplug” so that we can find peace. But the truth is we find peace when we fill our minds up with what is good. When we think about and seek out the beauty of this world, not the worst of humanity. Don’t believe everything you hear and read. Even amidst terrorism and hate there are selfless acts of love performed every day, in every city, all over the world. The more you start looking for the good around you, the more you will find it. In fact, your brain will automatically start looking for good news over bad news the more you practice. Our brains take in so much information that it ignores most of it. It does however compare the incoming information to things you have been thinking about or things you have conditioned it to look for. This is thanks to a handy little area of the brain called the *reticular activating system (RAS)*. You probably never noticed how many blue SUVs are running around town until you bought one yourself, now you see them everywhere! That’s the RAS in action. You never needed to notice blue SUVs before so your brain ignored the information. Once you alerted your brain to be more aware of blue SUVs by purchasing one, it starts paying attention and picking up on that information. The same is true with positivity and looking for the good around us. You can train your brain to notice the positives instead of giving into the negatives.

I dare you to try it out! Spend your summer meditation on things “true, noble, reputable, authentic, compelling, gracious—the best, not the worst; the beautiful, not the ugly,” and see if you find more peace and less chaos filling your brain. ♦

THIS WASN'T *MY PLAN* *Continued from p. 1*

For starters, my house, which I thought I'd be living in the rest of my life, is now on the market. Our new home will be in Mack on 125 acres, just 10 miles from the Utah border. This is beginning to feel a bit like Green Acres... I'm saying goodbye to city life and heading out to the country. We're even planning on getting some chickens!

Change. It's the one constant in life. Just when you think you've got your life all planned out, life throws you a curve ball. I wish I had a dollar for every time I've heard someone say, "I never thought my life would turn out this way!"

Unexpected changes in our life are difficult, if not impossible to plan for, and they can have a huge impact on our financial plans. Change can cause us to re-evaluate everything we thought was important. We might find that the financial goals we once thought were a priority aren't as important anymore. When making a financial plan, money is not the "goal." It's simply a means by which we accomplish our life goals; caring for those we love and providing security and protection for them after we're gone. It's about making memories that won't fade after the money is spent and living without fear of the future. Financial planning is never just about money, it's what money represents to each person and how we can facilitate those life goals.

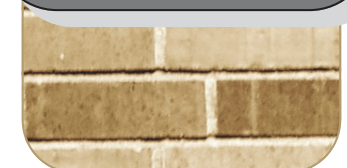
Since life is always changing, financial planning is not something we do once and put in a drawer. Proper financial planning is an on-going process that needs to be reviewed and updated as situations in our lives change. Because they surely will, especially when you least expect it. We are committed to helping you modify and update your financial plan as life happens and walking with you through those changes, both joyous and difficult. ♦



Ron and Linda on their wedding day 3/19/16.



“Unexpected changes in our life are difficult, if not impossible to plan for, and they can have a huge impact on our financial plans.”





“...start saving now, continue to save regularly and reinvest interest, dividends and gains.”

THE POWER OF INTEREST BY JEFF FUNDERBURK, CFP®

An argument can be made that no investing concept is more important than compound interest when it comes to using investments to achieve your financial goals. It is a simple concept, but its power is truly amazing.

For those that may not be familiar with the concept, consider this example. Suppose you invest \$1,000 in a savings account that pays 5% interest every year. At the end of the first year you would have \$1,050 ($\$1,000 \times .05 = \$50 + \$1,000$). Now assume that rather than taking that \$50 profit and spending it you leave it in the account – you’d have \$1,050 earning 5% instead of just your original \$1,000, so after the second year you will have earned \$52.50 in interest rather than the same \$50 you made in the first year. You can see that by reinvesting your interest your account actually grows exponentially. As long as you leave that interest in the account it will *compound* on itself thus accelerating the rate of growth.

The longer you let compound interest work for you the more powerful it becomes. To illustrate how powerful this concept is, let’s look at another example. Take two people, Joe and Walter, both age 20. Joe began saving \$2,000 a year into his IRA when he was 20 years old. He contributed that amount for 20 years, then stopped contributing. Walter didn’t begin saving for retirement until he was 40 years old. He then started contributing \$4,000 a year and did that for the next 20 years. Both Joe and Walter’s investments grew 6% annually. When they reach age 65, who do you think will have more money? Take a look at the results: *

	Age	Years of Contributions	Dollars Contributed	Annual Growth	Value @ Age 65
Joe	20	20	\$40,000	6%	\$ 334,703
Walter	40	20	\$80,000	6%	\$ 208,724

Note that both Joe and Walter saved for the same amount of time and received the same amount of growth, but Joe’s balance was more than **\$125,000 higher** than Walter’s! And what’s even better is that he was able to achieve the superior balance at **half the cost**. The only difference is the time at which regular savings contributions began.

The investor takeaway for those of us who have yet to achieve our financial goals is very simple: start saving now, continue to save regularly and reinvest interest, dividends and gains. Doing so will allow you to harnesses the amazing power of interest, compounded. ♦

THE CHARITABLE CHECKBOOK BY DAN FUNDERBURK, CFP®

Over the last few years I've become more and more interested in charitable planning. Contrary to this industry's status quo, I believe money has a higher purpose than just multiplying. I believe one of the most important questions that each family should answer, with respect to their money, is "how much is enough?" While I feel there is no universal answer to this question, I do believe each person or family can answer that question for themselves, and I think an actual number does exist. Answering this question for you and your family can be an incredibly freeing experience. First, it sets a finish line. If you know how much is enough, once that number is reached you can stop trying to accumulate more money. This frees up your time and energy for other, possibly more rewarding activities. Second, it opens up a whole new world of possibilities of what you can do with any excess money you earn after you've reached your finish line. One lesser known charitable planning option (and my personal favorite) is to set up your own charitable checkbook, which is officially known as a Donor Advised Fund.

A Donor Advised Fund is an account that is set up in your personal, family, or business name. You contribute assets to the account, and then you elect when and what charities get grants from the account. You are able to invest the assets while they're in the account, which means your favorite charities could get even more money over the years! One of the best parts of a Donor Advised Fund is the fact that you can contribute more than just cash into the account, and you get the full charitable tax deduction in the year the contributions are made. This means if you have highly appreciated stocks that you've owned for a long time, you can donate shares of the stock to your Donor Advised Fund. You can also donate real estate and even shares of your privately owned business. It is pretty amazing how much you can save in taxes if you donate these assets to your Donor Advised Fund before selling them.

While a private foundation is typically reserved for the super wealthy, a Donor Advised Fund can essentially accomplish the same goals as a foundation but can be set up by anyone, regardless of net worth. Many folks actually run their tithe through a Donor Advised Fund instead of giving directly to their church to take advantage of the benefits mentioned above. They are very cost effective, some have no cost at all, and are extremely versatile.

I believe being generous with our finances is the best way to break the power that money can hold over us, so I'm always looking for tools that can help in our journey of generosity. In my opinion, a Donor Advised Fund is one of the most powerful charitable planning tools and can be utilized by anyone. ♦



"I believe being generous with our finances is the best way to break the power that money can hold over us..."



Mike Berry, Linda Eden-Wallace, Serenity Melnick, Dan Funderburk and Jeff Funderburk are CERTIFIED FINANCIAL PLANNERS™ offering securities through **Cambridge Investment Research, Inc.** Member FINRA/SIPC. The views stated do not necessarily represent the opinion of Cambridge Investment Research, Inc., and should not be construed, directly or indirectly as an offer to buy or sell any securities mentioned herein. Information is believed to be reliable; however, we cannot guarantee accuracy or completeness. The material discussed herewith is meant for general illustration and/or informational purposes only. There is no guarantee that a diversified portfolio will outperform a non-diversified portfolio in any given market environment. Please note that individual situations can vary. Therefore, the information should be relied upon when coordinated with individual professional advice. Investing in securities involves risk, including the potential loss of principal invested.

Securities offered through Cambridge Investment Research, Inc., a Broker/Dealer, Member FINRA/SIPC. Investment Advisor Representative, Cambridge Investment Research Advisors, Inc., a Registered Investment Advisor. Legacy Wealth Management, LLC and Cambridge are not affiliated. Cambridge does not offer tax advice.

***Copyright© 2016 Legacy Wealth Management, LLC. All rights reserved.
Commercial copying, duplication or reproduction is prohibited.***

372 Ridges Boulevard • Grand Junction • Colorado • 81507 • (970) 241-5143
www.legacywealthgj.com