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# **FINANCIAL WELLNESS**

***Presented By:  
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Key Private Bank***



### **A Financial Journey**

We are all on a financial journey. How soon you get to where you want to go is a function of how well you understand and manage your finances. When you are on solid ground with your day-to-day finances, have the peace of mind that comes with saving for the future, and have the freedom to enjoy the things you love, you improve your financial wellness.

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When you improve your financial wellness, you will be happier, less stressed and more engaged in all aspects of your life.

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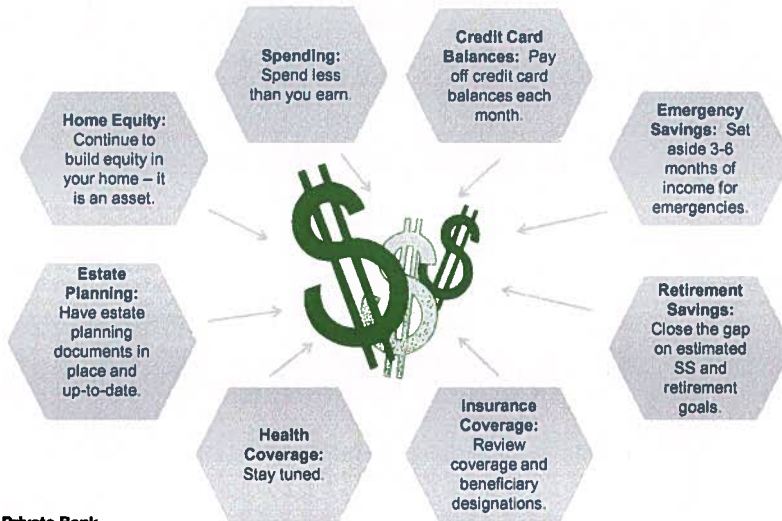

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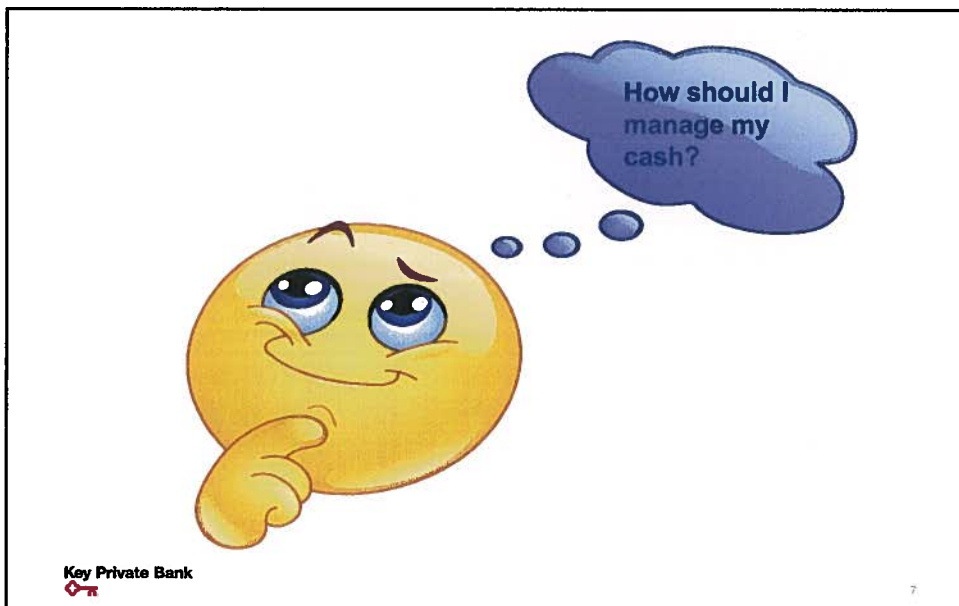
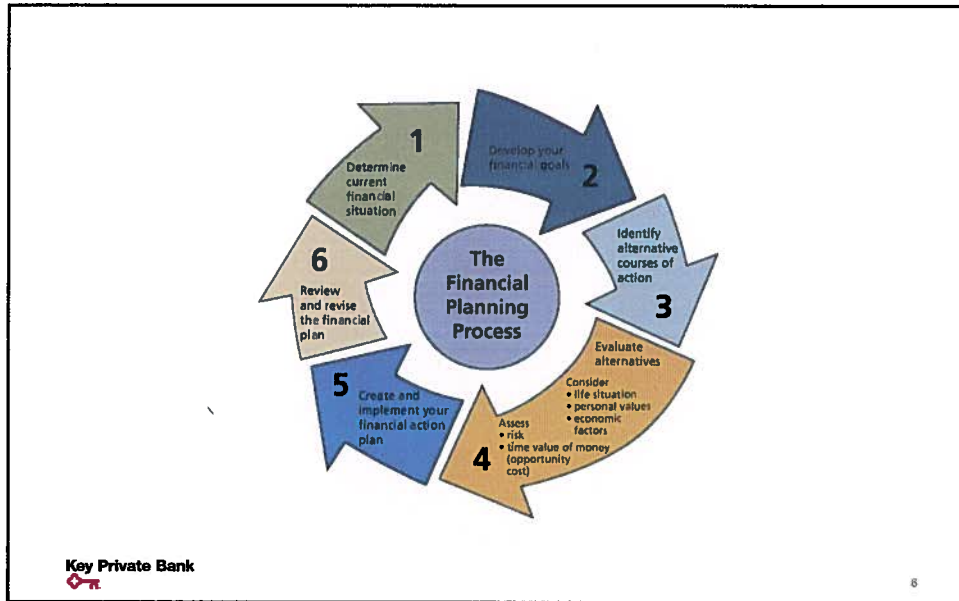
### Steps to Financial Wellness



1. Understand where you are today.
2. Take action, one step at a time.
3. Build better financial habits.
4. Monitor regularly.
5. Celebrate each success.

### Eight Vital Financial Areas





### Five Credit Myths About Credit Scores



Checking your credit score counts against you.

Carrying a balance improves your score.

Closing an account means you are financially responsible.

Maxing out your card is not a problem as long as you pay the balance on time.

Credit only refers to credit cards.

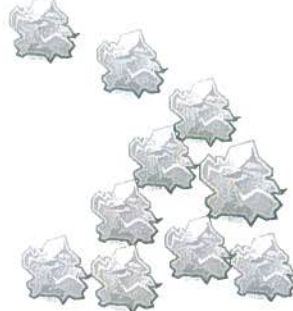


Meek, Teresa. Simple Savings. February 20, 2017

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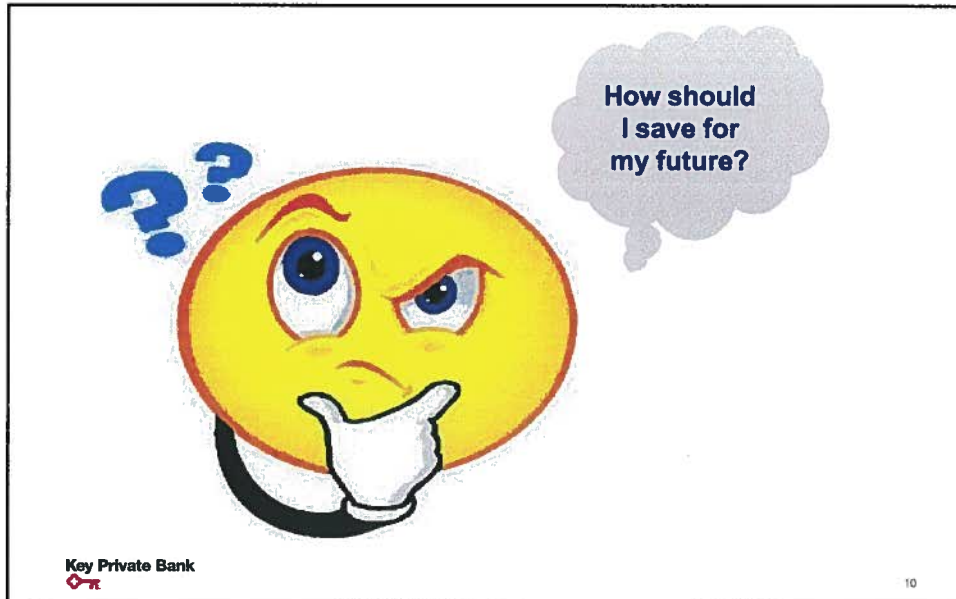
### The Donation Tax Deduction: Don't Throw it Away

1. Find the right charity for your donation.
2. Maximize the tax benefits of your donation.
3. Sell items for cash.



Digiovanni, Jennifer A. Simple Savings. February 3, 2017

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### Individual Retirement Accounts (IRAs)

1. Traditional IRA Accounts
2. Roth IRA Accounts
3. Rollover IRA Accounts



## Education Planning

1. 529 College Savings Plans
2. Coverdell Education Savings



How should I  
finance my  
future?



## Retirement Savings

Calculate your benefits based on your actual Social Security earnings record.

[www.ssa.gov](http://www.ssa.gov)



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How should I protect my future?



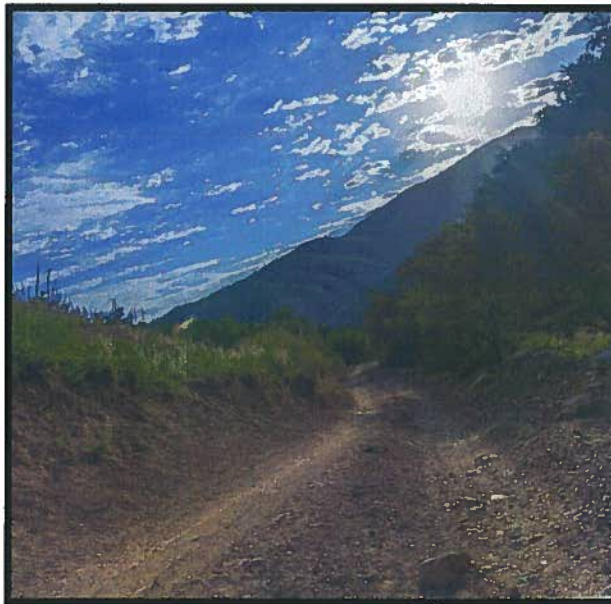
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### Basic Estate Planning Documents

- WILL
- TRUST
- DURABLE GENERAL POWER OF ATTORNEY
- LIVING WILL
- HEALTH CARE POWER OF ATTORNEY



### A Financial Journey

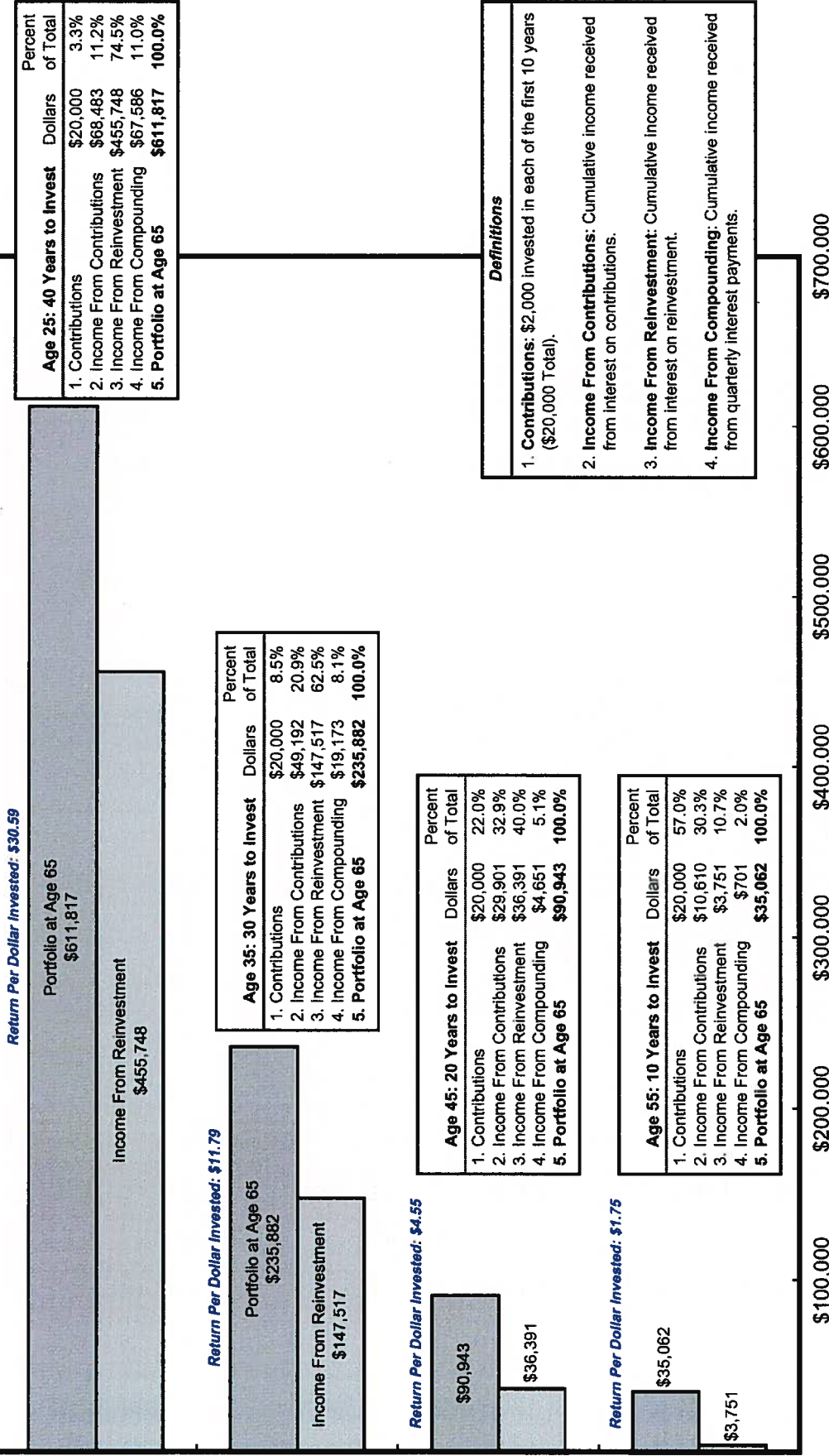
We are all on a financial journey. How soon you get to where you want to go is a function of how well you understand and manage your finances. When you are on solid ground with your day-to-day finances, have the peace of mind that comes with saving for the future, and have the freedom to enjoy the things you love, you improve your financial wellness.

**QUESTIONS ???**

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# Reinvestment And Time Starting Early Unlocks The Potential Of Reinvestment

Assumed Return = 10% Compound Annual Rate



Return Per Dollar Invested: \$30.59

Portfolio at Age 65  
\$611,817

Income From Reinvestment  
\$455,748

Age 25: 40 Years to Invest	Dollars	Percent of Total
1. Contributions	\$20,000	3.3%
2. Income From Contributions	\$68,483	11.2%
3. Income From Reinvestment	\$455,748	74.5%
4. Income From Compounding	\$67,586	11.0%
5. Portfolio at Age 65	\$611,817	100.0%

Return Per Dollar Invested: \$11.79

Portfolio at Age 65  
\$235,882

Income From Reinvestment  
\$147,517

Age 35: 30 Years to Invest	Dollars	Percent of Total
1. Contributions	\$20,000	8.5%
2. Income From Contributions	\$49,192	20.9%
3. Income From Reinvestment	\$147,517	62.5%
4. Income From Compounding	\$19,173	8.1%
5. Portfolio at Age 65	\$235,882	100.0%

Return Per Dollar Invested: \$4.55

\$90,943

\$36,391

Age 45: 20 Years to Invest	Dollars	Percent of Total
1. Contributions	\$20,000	22.0%
2. Income From Contributions	\$29,901	32.9%
3. Income From Reinvestment	\$36,391	40.0%
4. Income From Compounding	\$4,651	5.1%
5. Portfolio at Age 65	\$90,943	100.0%

Return Per Dollar Invested: \$1.75

\$35,062

\$3,751

Age 55: 10 Years to Invest	Dollars	Percent of Total
1. Contributions	\$20,000	57.0%
2. Income From Contributions	\$10,610	30.3%
3. Income From Reinvestment	\$3,751	10.7%
4. Income From Compounding	\$701	2.0%
5. Portfolio at Age 65	\$35,062	100.0%

Definitions
1. <b>Contributions:</b> \$2,000 invested in each of the first 10 years (\$20,000 Total).
2. <b>Income From Contributions:</b> Cumulative income received from interest on contributions.
3. <b>Income From Reinvestment:</b> Cumulative income received from interest on reinvestment.
4. <b>Income From Compounding:</b> Cumulative income received from quarterly interest payments.

\$100,000    \$200,000    \$300,000    \$400,000    \$500,000    \$600,000    \$700,000

### Notes

Calculations are based on a series of one year investments with all income reinvested. The effects of taxes, transaction costs and inflation are not taken into account.

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# Assets by Class, Capitalization & Style

## Total Return - 15 Calendar Years Ending 2017\*

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017*	Average
Emerging Mkts	35.3%	31.1%	34.5%	35.0%	39.6%	39.2%	38.0%	39.2%	39.2%	38.5%	43.3%	31.8%	5.7%	31.7%	5.9%	18.5%
Small-Growth	48.5%	26.0%	21.5%	32.0%	16.2%	1.3%	48.3%	28.0%	7.8%	18.5%	38.6%	14.7%	-4.2%	21.3%	3.5%	15.1%
Mid-Value	47.3%	23.7%	14.0%	25.5%	11.5%	-21.4%	42.3%	29.5%	2.0%	18.1%	35.7%	13.5%	9.9%	20.0%	3.3%	13.1%
Small-Value	46.0%	22.2%	13.9%	23.5%	11.0%	-26.9%	37.2%	26.4%	1.9%	17.9%	34.9%	13.2%	9.9%	17.3%	2.9%	12.8%
Mid-Growth	42.7%	20.7%	12.1%	22.2%	11.4%	-33.8%	34.5%	25.5%	0.4%	17.8%	34.5%	13.2%	9.1%	15.8%	2.4%	12.7%
Mid-Index	40.1%	20.2%	12.0%	20.2%	10.3%	-33.6%	34.2%	24.5%	0.1%	17.2%	34.5%	13.1%	-0.2%	12.1%	2.0%	12.3%
EAFE	39.2%	18.3%	12.1%	18.4%	7.0%	-38.9%	32.5%	24.5%	-1.4%	17.2%	33.0%	11.9%	-0.3%	11.9%	1.7%	12.0%
Mid-Value	38.1%	16.2%	10.2%	19.2%	7.0%	-37.0%	28.8%	20.2%	-1.9%	16.4%	33.1%	8.0%	-0.4%	11.0%	1.5%	11.9%
RET-Index	35.7%	15.2%	7.1%	15.3%	5.8%	-38.4%	29.4%	16.8%	-1.6%	16.3%	32.5%	5.6%	-1.4%	11.3%	0.7%	10.6%
Large-Value	30.0%	14.3%	8.3%	13.3%	5.8%	-38.6%	27.2%	16.7%	-2.9%	15.8%	23.3%	4.9%	-2.4%	7.3%	0.7%	10.2%
Large-Index	28.9%	11.6%	5.3%	10.7%	4.4%	-38.5%	20.5%	16.1%	-4.2%	15.3%	9.0%	4.2%	-3.0%	7.2%	0.4%	10.1%
Large-Growth	26.7%	8.1%	4.7%	10.4%	-0.2%	-39.2%	19.7%	15.5%	-5.5%	14.8%	1.9%	3.4%	-4.4%	7.1%	0.2%	8.2%
Commodities	23.8%	6.9%	4.0%	9.1%	-1.4%	-41.5%	18.9%	8.2%	-5.7%	4.9%	0.1%	0.1%	-4.3%	2.6%	0.1%	4.0%
Hedge Funds	11.6%	6.3%	4.2%	4.9%	-1.6%	-43.1%	11.5%	6.5%	-11.7%	4.2%	-2.0%	-1.0%	-7.9%	1.3%	0.1%	3.7%
Bonds-Agg	4.1%	4.5%	3.3%	4.3%	-0.5%	-44.3%	5.9%	4.7%	4.2%	2.9%	4.9%	4.2%	-1.6%	1.5%	-0.7%	1.3%
Treasury Bills	1.6%	1.4%	2.4%	2.1%	-17.8%	-53.2%	0.1%	0.1%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.4%	-0.7%	1.2%

### Legend

- Large-Value: Russell 1000 Value Index
- Large-Index: Russell 1000 Index
- Large-Growth: Russell 1000 Growth Index
- Mid-Value: Russell Midcap Value Index
- Mid-Index: Russell Midcap Index
- Mid-Growth: Russell Midcap Growth Index
- Small-Value: Russell 2000 Value Index
- Small-Index: Russell 2000 Index
- Small-Growth: Russell 2000 Growth Index
- Bonds-Agg: Aggregate Index
- EAFE: International Stocks - Europe, Australasia & Far East
- Emerging Mkts: International Stocks - Emerging Markets
- Commodities: Bloomberg Commodity Index
- RET-Index: Real Estate Investment Trust Index
- Treasury Bills: Three Month Treasury Bills
- Hedge Funds: HFRI Fund of Funds Composite Index

\*Note: 2017 data is preliminary through January. Arrows indicate advancing or declining rank from the previous calendar year.

Sources: FTSE Russell; Morgan Stanley Capital International; Wilshire Associates; Bloomberg Finance L.P.; Ryan Labs, Inc.; Hedge Fund Research, Inc.; Copyright © 2017 Crandall, Pierce & Company

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# Investment Success in Volatile Markets

## Standard & Poor's 500 Stock Index

