Fans of summer athletics look forward every four years to a major athletic event. Hundreds of athletes from all over the world converge to compete in swimming, track and field, gymnastics, and a host of other sports — including karate and surfing. Some of the athletes will be awarded bronze, silver, or gold medals, depending on how they perform.

To help celebrate this motivating and inspiring event, why not try to earn a gold medal for investing in your retirement plan? Participate in the events below on a regular basis to help earn your medal.

**Review your risk tolerance**

When it comes to investing, everyone is unique. Some people prefer a more aggressive approach, especially if they are younger and have a lot of saving years ahead of them. Others prefer a more conservative approach, especially if they are nearing retirement. Others may be most comfortable with a moderate approach — an equal balance of aggressive and conservative investments. You should review your attitude toward investment risk on an annual basis — especially if there have been any life changes, such as marriage, birth or adoption of a child, divorce, nearing retirement, or adding new financial goals in addition to retirement.

**Embrace diversification**

Putting your money into a number of different types of investment options that include various asset classes can help reduce risk of overexposure to a single investment or asset class. Generally speaking, if you diversify your dollars into different asset classes, a decline in one asset class (i.e. utilities) should not have a significant impact on your overall portfolio. There is perhaps no better way to illustrate this than to look to the story of Life Savers candy.

Clarence Crane invented Life Savers in 1912. He manufactured only one flavor: Pep-O-Mint. In 1913, Crane was approached by Edward J. Noble. Noble suggested that offering different flavors of Life Savers would attract more customers. Crane wasn’t interested in the concept but agreed to sell the business to Noble for $2,900. In his lifetime, Noble went on to develop a billion-dollar business manufacturing different flavored Life Savers. By diversifying his product, he appealed to more people and protected his business from the risk of one flavor losing popularity.

Diversification works with investments, too. You should keep in mind that diversification does not ensure a profit or guarantee against loss.

**Rebalance your investments**

It’s no secret that investments rise and fall over time. And asset classes do not always rise and fall together. As such, your original game plan to diversify across different asset classes may drift over time. Let’s say that last quarter there was a stock market upswing and your original desired investment allocation of 60% in stock funds has now grown to 70%. Meanwhile, your intended investment allocation to bond and money market funds has now decreased. The current overall investment allocation no longer matches your wishes and may have become riskier than you are comfortable with.

Continued on page 2
Go for the Gold

Continued from page 1

One solution for this is to choose to participate in an automatic rebalancing program if one is offered by your retirement plan recordkeeper. If you don’t have access to such a service, it’s easy to rebalance your investments yourself. In the example mentioned earlier, that means going into your account and selling off 10% of your stock fund investments and reallocating those funds back into your bond and money market investments so that they are aligned with your chosen allocation percentages. Representatives at your recordkeeper’s call center can likely help you do this.

Seek professional help if you need it

Many people consult with an investment advisor for guidance and advice regarding their retirement plan investments. An advisor can help you determine your retirement goals and how you can pursue them. They can:

- Provide ongoing portfolio rebalancing on your behalf.
- Help you understand different types of investments and their place in a balanced investment portfolio.
- Help you determine your financial goals beyond retirement, such as buying a home, funding a college education, starting your own business, or just getting better at budgeting and paying down credit card debt.
- Help you determine an appropriate investment strategy to achieve your financial goals, which are based on your risk tolerance and time frame.
- Meet with you on a regular basis to track progress and adjust as necessary.

You Are What You Eat

Three popular diet lifestyles offer new ways to approach how you eat

If you’re striving to eat healthier, chances are you’ve considered a number of options. Before you fix up some avocado toast or order a plant-based burger at your favorite brewpub, here’s a look at three of the most popular ways people are approaching the way they eat these days.

**Paleo** was first introduced in the 1970s and became widely popular beginning in 2014. It’s modeled on the diet of early (paleolithic) humans — in other words, cave people. The theory behind it is that the human body hasn’t evolved to handle the processed foods so prevalent today. People who follow the paleo diet eat fruits, nuts, seeds, vegetables, meats (especially grass-fed) and fish. They avoid grains, potatoes, legumes or highly processed foods.

The **keto diet** is similar in some ways to the Atkins diet. Keto meals are high in fat and extremely low in carbohydrates. Typically, carbs are limited to around 50 grams a day. The theory behind keto is that the body is forced to get its energy from fat rather than carbs, thus going into a state of fat-burning “ketosis.” Results can come fairly quickly for a lot of people, but some nutritional experts say the keto diet might be hard to keep up long term.

**Intermittent fasting** offers a couple of approaches. One approach is to eat very few calories on certain days and normal amounts on others. The second approach is to only eat during certain hours of the day. For example, no eating between 7 p.m. and 9 a.m. For most people, this means fewer overall calories consumed, resulting in weight loss. It also shows promise in improving insulin sensitivity and boosting brain function.

Sources: Kmotion Research; Mayo Clinic News Network. You should always consult with your doctor or other medical professional before starting a new diet.
Spring Cleaning

Eight tips for tidying up your personal finances

Spring cleaning doesn’t just mean dusting off those bookshelves in your living room (which, by the way, probably haven’t been dusted since you moved in) or vacuuming cobwebs off your ceilings (always great fun). Spring cleaning can also mean tidying up your finances. Here are eight tips to get you started.

1. Check your withholding

It’s great if you received a big tax refund this year, but it just means you gave Uncle Sam an interest-free loan out of your paychecks throughout the year. You may want to consider reducing the amount your employer is withholding from your paycheck. If you’re not sure what to do, check with a Certified Public Accountant or other tax professional for guidance.

2. Check your debts

Getting a handle on your debts, how much interest you’re paying, and when payments are due is a worthy exercise at any time of the year. Search for ways to reduce the interest rate you pay on loans and credit cards. Look for opportunities to consolidate debt if it makes financial sense — and put in place a system to avoid late payments.

3. Review automated payments

Many people have recurring payments that are automatically deducted from financial accounts. Review those payments, canceling those for products and services that are no longer used — such as gym memberships, streaming services or apps with programs you rarely watch.

4. Shop around

If it’s been awhile since you shopped around for better rates on your car insurance, cable, cell phone plan or other recurring items, now is a good time. You should be shopping for better rates at least once a year to ensure you’re not overpaying for services.

5. Document everything

Financial planners recommend documenting all your accounts, bills, and service provider contact information. You and your loved ones will be happy to have all important information together if there is an emergency or in the unfortunate event of someone passing away. “The Family Information Organizer: Your Planner for any Emergency, Disaster, or Loss of a Loved One” is a free ebook that you can use (https://www.amazon.com/Family-Information-Organizer-Emergency-Disaster-ebook/dp/B07HFG63CQ/).

6. Check up on insurance coverage

When was the last time you reviewed your homeowners or life insurance policies? It may be time for an insurance check up, and not just to make sure you’re getting the most competitive rates.

Pull copies of your policy documents to ensure you have adequate coverage, or conduct an annual review with your insurance agent — especially for property-casualty policies.

7. Practice cybersecurity best practices

If your passwords typically vary between your birthday or your pet’s name, you should plan to increase your level of security (particularly for financial accounts and email). If you have trouble remembering all your passwords for various services you use, consider using a password manager. Look for a product that includes multifactor authentication for the most security.

8. Check your beneficiary designations

People pass away, get divorced, get remarried, and have children. When those and other life cycle events occur, people often forget to review their life insurance and retirement account beneficiary designations. Now is a great time to review them and make any appropriate changes.
Knowledge is retirement power

The earlier you start saving, the better chance your money has to grow enough to achieve your retirement goals. One way to illustrate this is the Rule of 72. It’s an easy way to calculate how long it’s going to take for your money to double. Just take the number 72 and divide it by the interest rate you hope to earn. That number gives you the approximate number of years it will take for your investment to double. The earlier you start saving, the more periods you will have for your money to “double.” Here are some examples:

<table>
<thead>
<tr>
<th>Expected Rate of Return</th>
<th>Do the Math</th>
<th>Years for Investment to Double</th>
</tr>
</thead>
<tbody>
<tr>
<td>4%</td>
<td>72 ÷ 4</td>
<td>18 years</td>
</tr>
<tr>
<td>6%</td>
<td>72 ÷ 6</td>
<td>12 years</td>
</tr>
<tr>
<td>8%</td>
<td>72 ÷ 8</td>
<td>9 years</td>
</tr>
</tbody>
</table>

This table serves as a demonstration of how the Rule of 72 concept works from a mathematical standpoint. It is not intended to represent an investment. The table uses constant rates of return, unlike actual investments that will fluctuate in value. It does not include fees or taxes, which would lower performance.

Q&A

Are Social Security benefits taxed?

Whether or not you are taxed on your Social Security benefits depends on your income from other sources. Up to 85% of your benefit is subject to taxation by the federal government, but the actual percentage taxed will vary according to your total income. For more information, visit: https://www.ssa.gov/planners/taxes.html. Your state may also tax your benefits, so be sure to check with your local Department of Revenue, too.

Quarterly reminder

Did you increase your contribution to your retirement account in January? You know it was big on your New Year’s resolutions list! It’s always a good idea to consider an increase to your current savings rate — even if it’s just 1% or 2%. After all, it’s easy to come up with the money. Just bring home-brewed coffee to work in a thermos, or eat dinner leftovers for lunch once a week.

Tools & techniques

Looking to find more money to save for retirement? Try focusing on paying off any credit card debt you may have via the avalanche method. To use this payoff method, list all your debts in order of interest rate, from highest to lowest. The card with the highest rate on your list is the one to focus on first. When it gets paid off, move on to the debt with the second highest rate until there is no more.