LET'S TALK MONEY®
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Mid-Year Investment Checkup

You see a doctor for a health checkup and a mechanic to keep your vehicle in top shape. Likewise, it is important to work with a financial professional to conduct a review of your investment strategy, making sure it evolves as your life changes.

Look Inward

Before you review your investments, examine where you are in your life. Births and deaths, new jobs and lost jobs, marriage and divorce , and injury and illness can all change your investment strategies.

Then review your financial goals. Have they changed? For example, you might want to retire earlier than planned, which may mean you need to put away more money or change your investment strategy. Or you could have encountered health problems, which may have temporarily slowed how much you invest.

Look Outward

Next, look at the big picture. Are you invested appropriately, given your risk tolerance and time horizon? Economic and market conditions can alter even the most thorough investment strategies. Should you invest more in a workplace retirement account or consider supplemental investment vehicles like an IRA or a Health Savings Account? Will you soon experience a life change that will alter your investment strategy?

Finally, review your portfolio. Is it still addressing concerns you may have had about inflation and interest rates? Have your investments shown any style drift or do they follow the same strategies? How have your investments performed in relationship to their benchmarks? How much have taxes affected your portfolio's returns? How much do you pay in fees?

Get Answers

By knowing which questions to ask, you can work with your financial professional to make the necessary adjustments. If you know you own an investment that has drifted from its original strategy, look for a replacement that better addresses your challenges. If you see a big increase in an investment's fees, you might compare them to those of a similar investment.

Or you may want to explore options to increase your potential net income once you reach your goals, such as a Roth IRA. Put these and other concerns in writing so you are prepared to ask the questions that are essential in any investment review.

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OnMark is a boutique asset management and financial planning firm devoted to long-term relationships built on trust and commitment. Utilizing our distinctive process, we offer high touch advice with a sophisticated suite of financial planning services.

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Take Charge!

While women have made gains in the workforce and on the financial front, they still have a way to go for full equality on both fronts. Women can overcome these challenges by taking charge and considering these steps:

- Stay connected to maintain career options
- Get insured to protect financial contributions to families
- Put more money away to make up for career breaks and longer lives
- Keep learning and negotiating as a way to reach pay equality
- Review finances at least annually and adjust when life changes

Closing the Gap: Women and Personal Finance

Studies show, on average, women earn less, have smaller retirement account balances and live longer than men. There is a temptation to talk about women's financial challenges rather than their solutions. But the reality is that a need is a need, regardless of gender, and women can better meet their financial needs when they understand their options.

Career Advancement

The U.S. Bureau of Labor Statistics found that 42% of women in the labor force held a Bachelor's degree or higher in 2016, up from 11% in 1970. Having a college degree is a prerequisite for many jobs today — and women are clearly taking up this challenge. They can build on this with continuing education to help them advance in their careers.

Education and training matter for two reasons. One, women may take time off to start and raise a family, putting their career progression on hold. Two, any person taking a career timeout may see an adverse effect on how much they save for future goals. Less money earned is less money saved.

How do you meet these unique challenges? Continue to learn, either through formal or industry education, to increase your marketability. Online courses in both areas are now the norm rather than the exception, making it easier to continue your education while taking a career break. When returning to work, insist on equitable pay. While women are making gains, they still earn just under 82% of what men earn. In times of full employment, you have options if your current employer undervalues your contributions.

Financial Catch-Up

The second part of meeting your unique financial challenges is to make up for lost time, financially speaking. The cold reality of money is that women may save less than men for long-term goals. You can overcome financial time-outs by planning for them both before and after the fact.

Take saving for retirement: The earlier you save, the more opportunity there is for time and compounding to potentially help your savings grow. If you know a career timeout is in your future, double up on your retirement contributions before your break, while finding ways to maintain a disciplined approach once resuming your career.

Get Help

If you aren't sure how to overcome these financial challenges, a financial professional may help you sort out your options. Understand your challenges, however unique they may be, and consider the steps you can take to conquer them. Take the emotion out of your decision-making and empower yourself to take the necessary steps toward a more secure financial future.

When Disaster Strikes

Summer's here and damaging water and wind may soon follow. While you can't stop Mother Nature, you can take steps to limit the financial impact of a hurricane, tornado or flood.

Practical Steps

If you live in a rainy area, it is crucial to make sure gutters and storm drains are clear of debris. Keep valuables and important papers on high ground and raise furnaces and water heaters to help prevent water damage if you live in a flood-prone area. Storm shutters may help prevent some damage if a windstorm strikes. Identify a safe room or area, should you have to shelter in place during a natural disaster.

Get Insured

Owning homeowners or renters insurance may help protect you financially from a variety of perils, but it won't cover flood damage. If you live in an area that may flood, look into the National Flood Insurance Program to make sure you are at least partially protected.

Your property insurance also won't cover earthquake damage. For that, you'll need specialized coverage. Your policy may include coverage for tornado or hurricane wind damage, but it may have a separate and higher deductible than the rest of your homeowners coverage. To learn whether you're covered or not, talk to an insurance professional.

Leaving the Nest

When young adults leave the nest, they will confront a number of financial challenges for the first time in their lives, but there are some things they can do to ensure a successful experience.

- Practice good debt management. Credit cards are not free money, and balances for young adults often come with high interest rates. Paying any balance in full each month will keep the interest charges at bay.
- Start a regular savings regimen with the funds saved by not paying interest on credit card balances and build on it to develop good financial habits early in life.
- Use protection: Insure a first residence and belongings against a loss due to fire, theft and other perils.

When Good Luck is Taxed

You just won money in bingo, a state lottery or a casino and the first thing you're thinking about is how your windfall will be taxed. Okay, maybe that's not the first thing, but you should know how your winnings are taxed because underpaying them could cost you.

A Taxing Situation

When you have gambling winnings, the government becomes a financial partner of sorts. You may receive Form W-2G if your winnings exceed a certain figure, but you'll need to report the smallest amounts, even from a church raffle.

If you itemize on your tax return, you may deduct gambling losses up to the amount of your winnings. You should also keep a record of winnings and losses, including dates, names and locations of where you won or lost, in case you need to back up your tax return numbers. Professional gamblers have different rules.

To learn more about your own tax circumstances, talk to a qualified tax professional.

Dollar-Cost Averaging

Big swings in investment values may make headlines, but trying to predict the market isn't usually a recipe for success. In contrast, a slow and steady investing approach may be boring, but it can help you use market fluctuations to your advantage as you invest for long-term financial goals. Dollar-cost averaging* can play a part in this approach.

Disciplined Investing

Dollar-cost averaging is as much about discipline as it is an investing technique. When you use dollar-cost averaging, you contribute the same amount of money to the same investments on a regular schedule. Hypothetically, you might contribute $100 twice a month to your retirement account, putting $50 into equity investments and $50 into fixed income. If each share were, say, $1, then you would buy 50 shares of one asset and 50 of the other.

Buying the same dollar amount of any investment doesn't, however, mean you are buying the same amount of each investment's shares each period. When stock prices rise, you get fewer shares for your $50. So if stock prices double to $2 per share, you would buy 25 shares. And if fixed income shares declined to 75 cents a share, your $50 would buy almost 67 shares. In other words, you buy more securities with declining prices and fewer whose price has increased.

Emotionless Investing

Why does this matter? If you were making investment decisions on a daily basis, it would be easy to be influenced by what is happening in the markets now — not in the future. As a result, some investors tend to make decisions after the fact, buying when prices are high and selling when they're low.

Dollar-cost averaging takes the emotion out of investing, providing a way to maintain a consistent investing approach regardless of short-term volatility, with an eye on long-term goals.

** Investing regular amounts steadily over time (dollar-cost averaging) may lower your average per-share cost, but this investment method will not guarantee a profit or protect you from a loss in declining markets. Effectiveness requires continuous investment, regardless of fluctuating prices. You should consider your ability to continue buying through periods of low prices.*

We Value Your Input...

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