



CARITAS FINANCIAL

Second Quarter 2019

Larry's Reflection

When I embarked on my journey over twenty - two years ago to help others with their financial future, my determination to look out for the best interest of each individual client has not changed. However, over the years I have seen the importance to stand out as different. Throughout the years in leading this team, I was driven to build the best team possible.

Baseball is as much as an individual sport as it is a team sport. Each team member counts on each other to work hard and keep goals in place. The Caritas team works together to build on each other's strengths and skills to reach peak performance. This helps us to build our knowledge and integrity for the benefit of the fans. (our clients)

Just as there are different acronyms in baseball, (RBI- Runs Batted In, MLB – Major League Baseball, GRSL – Grand Slams) Our clients have asked questions about certain financial terms, abbreviations and designations. (CFP® - CERTIFIED FINANCIAL PLANNER™, AIF® – Accredited Investment Fiduciary, CAIA® - Chartered Alternative Investment Analyst®, CFA – Chartered Financial Analyst).

"The simplest solution tends to be the correct one."

- Occam's razor

Brain Teaser:

Which superhero is the best at baseball?

Last Newsletter's Brain Teaser:

Q: What can you hold without ever touching or using your hands?

A: Your breath



CFA Institute



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Market Update

Happy Birthday, United States of America! As we celebrated our nation's birthday, U.S. leadership on the world stage remains in focus. We received good news on the global trade front from the recent G20 Summit in Japan. President Trump and China's President Xi agreed to a trade truce, clearing the way for the two nations to resume negotiations—and helping the stock market add to its impressive first half of 2019. In signs of thawing tensions, the next round of U.S. tariffs have been suspended indefinitely, and U.S. companies were cleared to sell certain products to Chinese telecom giant Huawei.

At the same time, we have no indications that the sticking points that caused talks to derail in May are any closer to being resolved, and existing tariffs remain in place. We still think a broader agreement can be reached this year—hopefully by the fall—but we may have to endure more economic upheaval until that occurs.

Closer to home, the Federal Reserve (Fed) has sent signals that it may cut the fed funds rate by .25% in July, thereby reversing its December 2018 rate hike. We see a potential rate cut as insurance against further slowing of the economy, and we still believe the odds of near-term recession remain low.

We also appreciate the Fed's willingness to adjust its policy in ways that may help prolong the current economic expansion, which at 121 months is now the longest ever recorded. Despite its record-setting length, we think this cycle has more room to run given its gradual growth trajectory in the United States and the lack of excesses building up since the 2007–2008 financial crisis. Fiscal stimulus put in place over the past two years by the Tax Cuts and Jobs Act of 2017 also helps.

Second quarter ended June 30, and earnings season, when most publicly traded companies release their quarterly earnings reports, is fast approaching. We believe the favorable fundamental backdrop for the U.S. economy may provide support for further corporate earnings growth in the second half of this year and into 2020. We also expect better than expected earnings to help drive stock market gains in the second half of 2019, although the pace of earnings growth may be modest as we continue to deal with tariffs and trade uncertainty.

We believe underlying economic fundamentals, along with a supportive Fed and progress on global trade, will enable the U.S. economy to continue to grow steadily through the end of 2019 and beyond. However, as we noted in our recently published LPL Research Midyear Outlook 2019: Fundamental: How to Focus on What Really Matters in the Markets, we may have to tolerate more market volatility while trade details are ironed out, and some pull-backs in the markets should be expected. We encourage all investors to be prepared to weather some volatility and for suitable investors to use it as an opportunity to rebalance portfolios to align with long-term objections. .

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual security. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing. All performance referenced is historical and is no guarantee of future results. All indexes are unmanaged and cannot be invested into directly. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. Economic forecasts set forth may not develop as predicted. All company names noted herein are for educational purposes only and not an indication of trading intent or a solicitation of their products or services. LPL Financial doesn't provide research on individual equities. Investing involves risks including possible loss of principal. No investment strategy or risk management technique can guarantee return or eliminate risk in all market environments. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk. Rebalancing a portfolio may cause investors to incur tax liabilities and/or transaction costs and does not assure a profit or protect against a loss. All company names noted herein are for educational purposes only and not an indication of trading intent or a solicitation of their products or services. LPL Financial doesn't provide research on individual equities. All information is believed to be from reliable sources; however, LPL Financial makes no representation as to its completeness or accuracy. page 2 of 2 This research material has been prepared by LPL Financial LLC

Employee Spotlight

Ev Corcoran, CFP®



Everard “Ev” Corcoran met Larry Teichman at a Financial Planning Association conference in 2007, and then joined the Caritas Financial team in 2008.

Ev received his Bachelor's Degree from Kenyon College, and completed graduate business coursework at Baldwin-Wallace University. He went on to work at Ferro Corporation and AkzoNobel, where he gained experience in Technology Management and International Business Development. Ev transitioned to the Financial Services Industry beginning in 2006. He earned the CERTIFIED FINANCIAL PLANNER™ designation. He has been active in the Financial Planning Association and a presenter at local FPA events.

As a Financial Consultant at Caritas, Ev develops custom retirement income plans, selects and reallocates strategic investment portfolios, and facilitates tax and estate planning.

Ev enjoys long-distance running for fun and fitness. He has completed three half-marathons in 2019 including The NorthFace Endurance Challenge trail run in Virginia, The Cleveland Rite-Aid, and The Covered Bridges Half Marathon in Vermont. He resides in Rocky River with his wife Julie. His daughters are Claire, age 25, and Ellen, age 23.

Helping to Care for Aging Parents

Looking Ahead:

Upcoming

Educational Events:

Are You Retirement Ready?

Tuesday, August 13, 2019
5:30 pm Registration
6:00 pm Presentation

Medicare And You

What is the difference between Part A, B, C, and D?

Thursday, September 17, 2019
5:30 pm Registration
6:00 pm Presentation

Redefining Investment Advice

Guest speaker

Thursday, October 10, 2019
5:30 pm Registration
6:00 pm Presentation

Social Security Administration

Do you have questions about your retirement benefits?

Wednesday, October 30, 2019
11:30 am Registration
12:00 pm Presentation

It's easy to register for events on our website
www.caritasfinancial.com

Interested in speaking at one of our ClientSpeak events?

What is ClientSpeak? Clients sharing their stories, adventures, and hobbies with other clients and friends.

Contact Penny Olencki to share your story or adventure.

Please confirm the location of each event before attending.

Check our website and Facebook page for our upcoming events. If you have not already, please "Like" us on Facebook!

For more information contact
penny.olencki@caritasfinancial.com

Many adults are finding that their aging parents are in need of health care assistance. Luckily, there are many options available today to help your parents grow old gracefully, whether in their own home or in a facility, and several ways that you can finance the costs of the care.

Assisted Living. If your parents are healthy seniors who can look after themselves, they generally are eligible to enter a continuing-care retirement community that allows them to buy or rent an apartment and ensures them lifetime nursing care when it is necessary. Another option for healthy seniors is private long-term care insurance, which can help cover nursing home costs or the cost of an in-home aide.

Living with family. Many families opt for moving an aging parent into their own home. If you are able to coexist peacefully with your parent, this may be a good idea because the arrangement frees you from worry about the upkeep of a second home. For parents with dementia or more serious health issues, adult day care is also an option and a good way to get your parent to socialize with other adults.

Living alone. When living together is not a workable plan, maintaining your parent in his or her own home is also an option. There are, however, several fairly expensive things that may be required to make a home environment safe and suitable for an aging person. If your parent is in need or daily assistance with meals or chores, he or she can apply for several services, such as Meals on Wheels, which may be free for anyone over 60. If your parent needs more personal assistance, you may want to look into hiring an in-home aide at a skill level appropriate for the amount of help needed.

Nursing home. If sending your parent to a nursing home is inevitable, make sure you research each home extensively. Reservations at the home selected should be made at least a year ahead of the time that you expect your parent will need it, as waiting lists are typically long at well-respected facilities. Keep in mind, too, that the government offers limited financial help for those families paying for nursing home care.

Financing Long-Term Care. One of the biggest worries of those caring for an aging parent is how to pay for the care needed. The federal government's Administration on Aging offers a variety of print and online materials for elders, their families, and professionals regarding housing, medical, caregiving and services for seniors. ElderWeb has a rich collection of resources for the elderly and their caregivers on financial matters, health care, living arrangements, and social, mental, and legal issues.

Medicare. Medicare will only pay the full cost of professional help if a physician certifies that your parent requires nursing care and if these services are provided by a Medicare-certified home health care agency. Medicare will only pay for nursing home care on a short-term basis, and benefits are restricted to low-income individuals with very limited assets.

Tax Considerations. You may be able to claim a federal tax credit that will enable you to take up to \$3,000 off the cost of in-home care or day care. Another option is the flexible spending account (FSA), which lets you pay for a certain amount of care each year with pretax dollars.

With elder care costs continually on the rise, financial planning has become ever more crucial to the economic well-being of adult children responsible for the care of their elderly parents. Don't wait until the last minute — start planning now to ensure the future care of your parents.

Caritas Financial
11630 Chillicothe Road
Chesterland, OH 44026

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CFP® – Possesses a bachelor’s degree (at least)). Must master at least 100 integrated financial planning topics, including: Investment, tax, retirement, estate, insurance planning and financial management.

AIF® – *An investment professional that possesses a thorough knowledge of fiduciary procedures, responsibilities and practices.*

Fiduciary – *Fiduciary relationships often concern money, but the word fiduciary applies to any situation in which one person justifiably places confidence and trust in someone else and seeks that person’s help or advice in some matter.*

CAIA® - *Professional designation offered by the CAIA Association to investment professionals. The CAIA curriculum is designed to provide finance professionals with a broad base of knowledge in alternative investments.*

CFA® - *Must have a bachelor’s degree and 3 years of practical experience in the investment industry. This certificate is one of the highest awards given in the investment industry and is an internationally recognized and respected designation.*

Contact Us

Give us a call for more information about our services and products.

Office:

11630 Chillicothe Road Chesterland, OH 44026(440) 729-0036

caritas@caritasfinancial.com

Visit us on the web at www.caritasfinancial.com

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