

Moerdyk Financial, Inc.

March 2016

My Father Is Turning 89 - "Happy Birthday Daddyo"

collapse was the straw that finally broke the camels back. Pension liabilities rose while the value of the assets to meet them fell - so these big companies invented the 401(k) Plan and turned the investment management - and the risk taking - over to the employees: "Here you go, you're on your own".

So here we sit today, where you are supposed to understand risk and reward, stocks vs bonds, mutual funds or ETFs, target-date funds, debt vs equity, alpha beta, abracadabra!



My father Jim - the birthday boy - and me relaxing on my boat in Rockford

When I go to the doctor I really don't want to know the exact reasons that my blood pressure and cholesterol are so high - I simply want to know that the doctor knows what she's talking about and that she can fix it. Similarly, when you come to see us, we don't expect you to understand credit spreads, and static rebalancing, and the calculus of retirement income, etc - strategies that have taken us about 40 years to absorb. My point is this: Managing your investment portfolio is very important, but producing reliable predictable income in retirement (pension-type income) is probably much more important to you.

Yogi Berra said "In theory there is no difference between theory and practice. In practice there is."

You have heard us say it many times, but it begs repeating "Once you retire and you no longer have the security of a paycheck, then you should sit down with experts like Jimmy and me who specialize and excel at producing income in retirement." *We have access to some retirement accounts that you likely will find to be very comforting, especially in today's volatile economic environment - please call us if you would like to hear more.

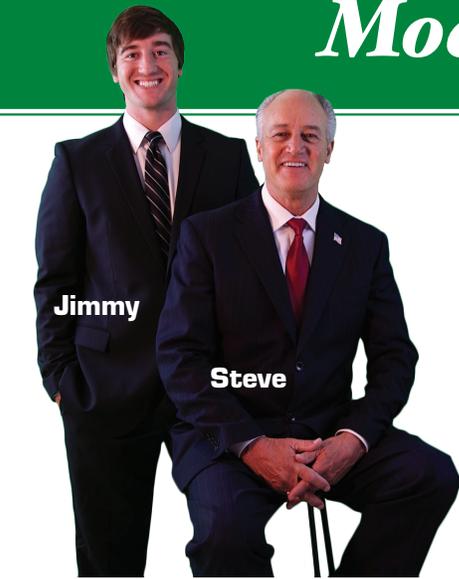
My daughter, Dr Carly, is pregnant and due on March 22. If this delivery comes early like her first son Sammy did 4 years ago, then grandpa Steve (me) will be traveling down to Chicago for a big celebration soon.

Oil is \$30 per barrel which means that gasoline is \$1.50 per gallon (enjoy these cheap fillups while it lasts) - call us if you think that it might be a good time to "buy oil".

Gold is starting to perk up - currently trading at about \$1,200 per ounce - silver might not be a bad play either.

I just read a very thought provoking book, *The Biology of Transcendence*, which discusses the importance of following your heart - maybe even more than your brain. The author suggests that you follow your heart and trust your gut feeling because instinctively you know when something is right, or wrong.

My email address is Steve@MoerdykFinancial.com - please hit me with your thoughts on my thoughts - I love to read your feedback.



My dad Jim, will be turning 89 on the 30th of this month. He has enjoyed a terrific retirement for 22 years - golfing with his buddies several times a week, eating out anytime he wants, spoiling his family with careful advice and wise leadership (he always sets 'the example'). He has been able to relax and enjoy himself in this long retirement because he knows that every month a reliable Social Security check and a handsome pension check will be showing up. My dad retired in 1994 after putting in about 30 years as the Chief Designer at Baker Furniture. As a thank you and in appreciation for his dedication and production, Baker Furniture has been depositing, every month, a generous pension payment directly to my dad's bank account.

Back in my father's day, when the discussion of retirement came up and someone asked what your pension was worth - people would respond with an income figure, for example they might say: "My pension is 75% of my final salary" .. but ask someone today and we talk about cash amounts (not income) - we talk about returns, and allocations and projections (and hopes!). The dot-com bubble - "the roaring 90's" - and subsequent stock market crash in the year 2000 is most notably remembered as the end of the fabulous "Pension Era". The huge pension plans of the day were employer sponsored and the dot-com

www.MoerdykFinancial.com • 5005 Cascade Road, Grand Rapids, MI 49546 • (616) 742-1166

Securities offered through Center Street Securities, Inc. (CSS) a registered Broker-Dealer & Member FINRA & SIPC. Investment Advisory Services offered through Brookstone Capital Management LLC (BCM), an SEC Registered Investment Advisor. Jimmy Moerdyk is an Investment Advisor Representative with BCM. Moerdyk Financial, Inc. and BCM are independent of CSS. *Guarantees are backed by the financial strength and claims paying ability of the issuing insurance company. Guarantee periods or annuity payments may be subject to restrictions, fees and surrender charges as described in the annuity contract.



Steve and Jimmy Moerdyk

Moerdyk Financial Inc. is a private independent firm that carries the licenses necessary to offer their clients a vast array of investments and financial products. From stocks and bonds, mutual funds, ETFs, managed portfolios, non-traded REITs and BDCs, to fixed and variable annuities, MLPs and more.

Over the years, Moerdyk Financial Inc. has developed a straightforward no-nonsense reputation. Their investment advice is efficient and appreciated. They have helped hundreds of retired people to better understand the financial benefits from the old adage 'Don't put all your eggs in one basket'. Their experienced guidance on income distribution and asset sustainability has earned them a respected advisory position among senior residents in the Grand Rapids community.

President Steve Moerdyk met his wife Annie at Michigan State University. They were married in 1979 and reside on beautiful Lake Bella Vista in Rockford. They have two children, Carly 31, and Jimmy 26. Carly is a neurobehavior Fellow at Northwestern Medical in downtown Chicago, where she lives with her husband Kia, and their 4 year old son Sammy.

Vice President Jimmy Moerdyk joined the firm in 2011 after graduating from the Broad Business School at Michigan State University. Along with his youth and enthusiasm, he also brings a quick understanding of the latest in cutting edge technology and financial strategies.



My dad Jim, 'the Birthday Boy', really enjoyed meeting Michigan State University's women's basketball coach Suzy Merchant. Jim Henson said it best "There's not a word yet, for old friends who've just met" – he was talking about my dad and Suzy, they delighted in each other's company.



One of dad's favorite golf courses is The Rogue - it's short, challenging, and doesn't break the bank. We will be out there again soon.



Sammy just turned 4 years old but can already outsmart a 5th grader - he takes after his grandpa (grin)



Jimmy and his girlfriend Michelle spent some getaway time in beautiful Costa Rica. Jimmy said the weather was hot and the drinks were cold, so a great winter break spot.

Someday we shall all stand before Him and give an account.