Can you see clearly now?

During the last week of July, my family – all 14 of us – spent a week in Panama City Beach. We rented a huge condo on the beach, brought a lot of food and drinks, and spent seven glorious days enjoying the sun, surf, and beautiful white sand of the Florida coast. It was about as perfect as it could be, and even more so because of the water.

It was spectacularly clear!

We've been going on annual family beach vacations for about a dozen years now, but I cannot remember the water being as nice as it was this time. Even after wading pretty far out from the beach, we could still see the bottom, which, by the way was littered with sand dollars. What a treat!

The clear water reminded me that seeing things clearly when it comes to our money is important, too. As a financial advisor, I try to bring clarity for my clients so they can see the big picture, understand what they should be doing with their money, and contemplate the "what ifs" that might come in the future. If you become my client, here are a few of the things I can help you do:

1. **I can help you clarify your investment horizon.** I can't guarantee your success, but if you start early, the greatest gift you have when investing for retirement is time. It's not fast and it's not magic, it's just math. Think about this: a 25-year old who invests $142 a month at an average 8% rate of return can amass about $500,000 in 40 years. That's real money, and $284 a month could make her a millionaire. It doesn't happen overnight, you have to be consistent, and it helps a lot if you have an advisor to help you manage risk and keep you on track when the stock market goes up and down.[1]

2. **I can help you clarify the risks in your life.** Few things can be more devastating to financial planning than a premature death or a disability that prevents long term saving and investing. If you're thinking, "It's not going to happen to me," I hope you're right. But, you might be wrong. Don't take chances with your money. If the people who are important to you depend on you for income now or in the future, you need life and disability insurance. And, don't forget an umbrella liability policy, especially if you have teenage drivers at your house.

3. **I can help you clarify your plan for retirement income.** Ask yourself this question: "When I'm no longer working, will my basic living expenses be covered <u>completely</u> by guaranteed income?" If the answer is "no", you might want to try to fix it. I don't think Social Security is ever going away because of the critical role it plays in retirement in our country, but my guess is that many people are going to need a reliable source of guaranteed cash flow to supplement or replace the government's program. "Reliable source" means money that lasts as long as you live. Unless you work for a public agency or the school system, employer pensions are getting harder and harder to find. However, you can build one for yourself by using a fixed annuity. This strategy can work really well if you give it some time. If you follow through with this, I think you'll enjoy getting a check in the mail every month during retirement for as long as you live.[2] If this sounds good to you, let's talk.

Even before we left the beach at the end of our vacation, my family was already thinking about next year's trip. Unfortunately, a lot of people spend more time planning their vacations than they spend thinking about their financial future. Don't be one of them. Call me today for an appointment, and I'll try to help you see your money life more clearly.

Pontchartrain Investment Management
Mike Rich, CFP®
2065 1st Street
Slidell, LA 70458
985-605-5064
mikerich@mypontchartrain.com

[1]This is a hypothetical example and is not representative of any specific situation. Your results will vary. The hypothetical rates of return used do not reflect the deduction of fees and charges inherent to investing. Investing involves risk, including loss of principal.
[2]Annuities are long-term investment vehicles designed for retirement purposes. Gains from tax-deferred investments are taxable as ordinary income upon withdrawal. Guarantees are based on the claims paying ability of the issuing company. Withdrawals made prior to age 59 ½ are subject to a 10% IRS penalty tax and surrender charges may apply.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.