

TOWNSEND NEWSLETTER

2018 SUMMER EDITION



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QUARTERLY COMMENTARY – Jeff Townsend, CRPC®

Relative Strength of the Market:

POSITIVE

The stock market is near its record high. The problem is that it has been near its record high for six months! It appears the bulls and the bears are at a standoff. You might say that the bulls and bears are locked in a tug-of-war with neither side giving much ground. As of June 15, the S&P 500 is up about 3% year-to-date, however down 3% from its high, which was set back on January 26. Over the past twelve months, the S&P 500 is up about 13%.

I believe the primary reason that we are stuck in this trading range is due to trade war concerns and not because our economy

is slowing down. Personally, I believe this concern over trade wars is overplayed in the news.

2018 is on track for the best GDP growth since 2015, and the unemployment numbers are at their lowest since 2000! Both business and consumer confidence are strong. Overall, there are good reasons to be optimistic due to strong corporate earnings, lower taxes, solid economy and more spending from Congress.

The market should reflect this in the coming months, however one should plan on more turbulence. This can be due to a lot of reasons such as rising inflation, rising interest rates, trade disputes, political fighting, etc.

However, some fear that this second-longest-running bull market without a recession is

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NEWSWORTHY ITEMS:

CONSUMER INFORMATION

Have you noticed that you are not driving one of your vehicles that often, and are thinking you might get a “big” break on car insurance? Think again! A recent survey taken of 11 cities by the Consumer Federation of America found that the nation’s largest auto insurers typically offer little or no premium reductions to low-mileage drivers. The group found that for every 5,000 fewer miles driven, the consumers save, on average, about \$30 per year, or 1.6%. Check with your insurer if you are a low-mileage driver to see if you are eligible for a discount. If they don’t, consider shopping around for a better rate with another auto insurer. The discount may not be “big,” but possibly worth looking into!

FRAUD

Buyers beware. If you are buying a new home with a mortgage, watch out for scammers as you near your closing date, warns the Consumer Financial Protection Bureau. Fraudsters attempt to steal closing funds by sending an email to the buyer posing as the buyer’s real estate agent or settling agent. The email falsely claims there’s a last-minute change, and gives instructions to wire the money to an account the scammers control. (Source: *Kiplinger’s Retirement Report; May 2018*)

CAREGIVING

Costs. According to a Northwest Mutual Study, most Americans are underprepared for the expenses of caregiving. Seven in 10 caregivers surveyed provided financial support to a loved one, however only one-fourth were prepared. Close to 70% of caregivers cut their own living expenses to cover living costs for their loved one.

Summer Client Events:

Presentation:

July 26 | Estate and Tax Planning Presentation
Downtown Aquarium

Aug. 23 | Genealogy Part 2 Presentation | Downtown Aquarium

Sept. 13 | Retirement Presentation | Downtown Aquarium

Volunteer Opportunity:

Volunteers are needed to help fill backpacks with school supplies. Filled backpacks will be provided to children in need throughout the community.

July 24 | Fill-A-Backpack | A Precious Child

Summer Social Club Events:

Check your emails regularly for more-detailed information.

Townsend Triggers | Clay Shooting Club:

Join the Triggers in some morning clay shooting!
13600 Lanewood St., Brighton, CO 80603

July 29 | 9 a.m. | Colorado Clays

Aug. 26 | 9 a.m. | Colorado Clays

Sept. 30 | 9 a.m. | Colorado Clays

Townsend Screaming Eagles | Motorcycle Club:

Join the Screaming Eagles for motorcycle rides. All rides are weather permitting.

Aug. 25 | Ride will go through Bailey, Georgetown, Idaho Springs and Nederland stopping for a pit stop along the way before heading back into town.

Sept. 15 | Ride will go through Lyons to Estes Park, then on the Peak to Peak Scenic Byway.

You are always welcome to bring a friend to join in the fun!
To receive more information or to R.S.V.P. to any of the Townsend events, please contact the office at 303.452.5986.

**We look forward to seeing you
at the events listed above!**

THANK YOU FOR SUPPORTING HURRICANE RELIEF!

When disaster strikes, The Salvation Army is there! Because they are already serving throughout the country, their proximity often means they are first on the scene to help those suffering from a disaster. Their teams stay as long as needed, helping to restore communities long after disaster strikes. With the help of your donations last fall, The Salvation Army provided the following during its *Emergency Disaster Hurricane Response Phase*.



Hurricane Harvey Response - Texas:

- At the peak of response, 96 mobile feeding units were deployed
- 907,162 meals served to survivors and first responders
- 979,836 drinks served and 966,346 snacks served
- Emotional and spiritual care to 57,069 individuals
- 21,282 food boxes, 12,274 cleanup kits and 52,155 comfort kits were distributed
- 335,139 hours of employee and volunteer service

Hurricane Irma Response - Florida and Georgia:

- At the peak of response, 61 mobile feeding units were deployed
- 365,667 meals served to survivors and first responders
- 534,900 drinks served and 339,628 snacks served
- Emotional and spiritual care to 28,172 individuals
- 17,208 food boxes, 2,374 cleanup kits and 9,735 comfort kits were distributed
- 213,528 hours of employee and volunteer service

Even as the response phases of hurricanes Harvey and Irma end, The Salvation Army will continue to support families affected by the storms, and “to help” rebuild communities in Florida, Georgia and Texas through long-term recovery. Thanks to the generous support of donors, The Salvation Army has raised \$57 million (as of October 13, 2017) for response and recovery efforts related to the 2017 hurricane season.

Of these funds, \$30 million has been designated to Hurricane Harvey response and recovery efforts, \$13 million to Hurricane Irma response and recovery efforts, and \$10 million to Hurricane Maria relief in Puerto Rico and the U.S. Virgin Islands. Fundraising for The Salvation Army’s hurricane relief efforts is ongoing, and any additional funds will be allocated to long-term recovery efforts as operations continue.

The Salvation Army will continue to provide financial assistance and bulk commodities, including food boxes, cleaning supplies, clothing and hygiene products, to those in need. Long-term recovery plans also include supporting community case management programs, working with community-based unmet needs, and supporting rebuilding efforts.

NEWSWORTHY ITEMS:

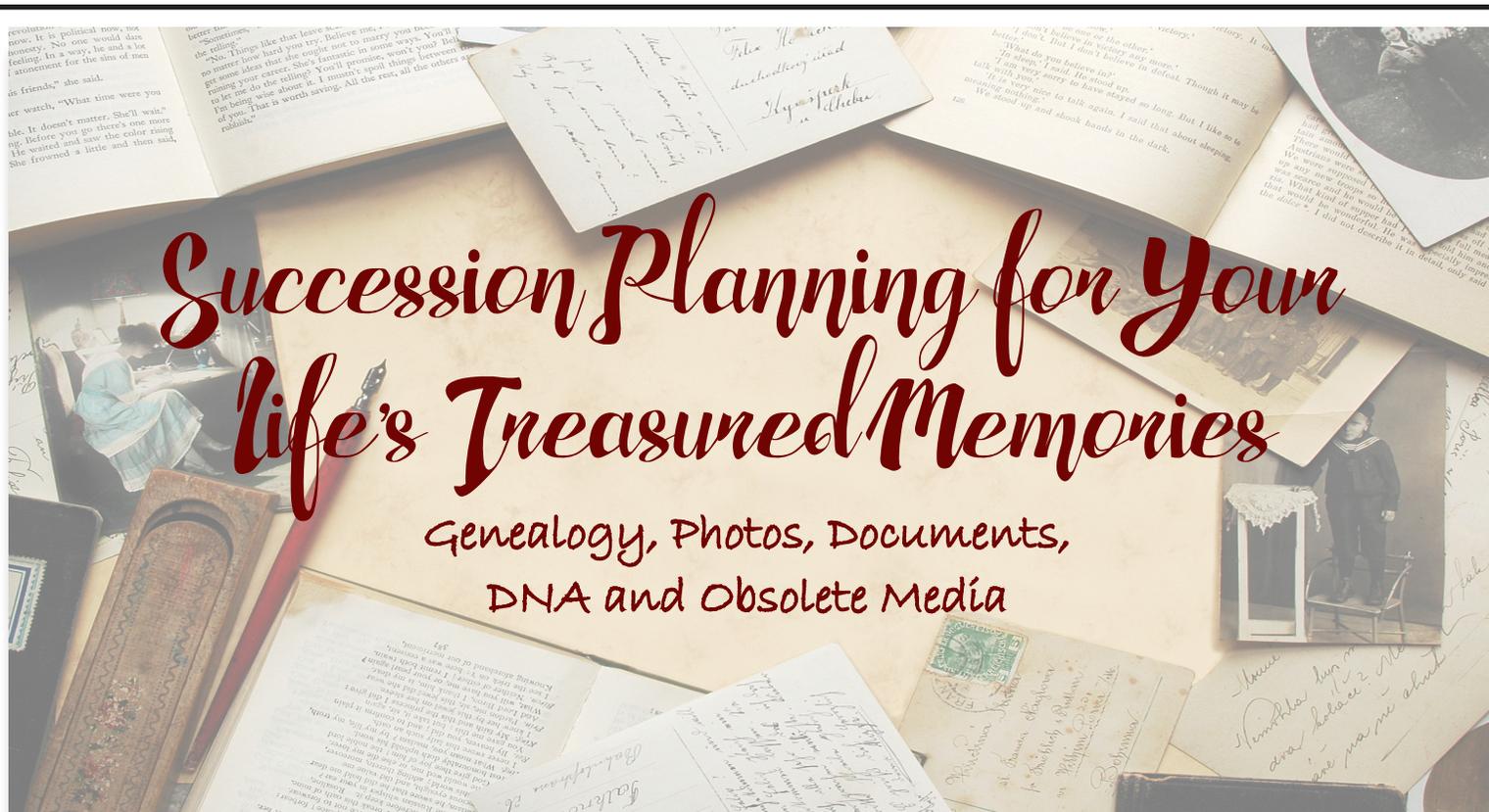
TAXES

RMD Waiver: If you turned 70½ last year and missed taking your first required minimum distribution by April 1, take the money out immediately to fix the mistake. Missing an RMD subjects you to a 50% penalty on the amount that should have been taken out. But first, ask the IRS for relief. File Form 5329 and attach a letter explaining why you make the mistake and the steps you have taken to rectify it. (*Source: Kiplinger’s Retirement Report; June 2018*)

HEALTHCARE

HSAs: Contributing to a health savings account is a smart way to save for health expenses in retirement. You can use the cash tax-free for Medicare and long-term-care insurance premiums as well as other qualified medical expenses. But note: There’s a potential trap if you delay enrolling in Medicare Part A past 65. In that case, coverage can be retroactive for as much as six months. If such retroactive coverage overlaps with a month you contributed to an HSA, you could face tax penalties. (*Source: Kiplinger’s Retirement Report; April 2018*)

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Succession Planning for Your Life's Treasured Memories

Genealogy, Photos, Documents,
DNA and Obsolete Media

By: Deena Coutant

Have you wondered about the best way to prepare your ever-growing collection of family history research, photos, movies and important documents so they are accessible and shareable to those family members who you want to eventually receive them?

In today's technology-driven world, many of the important items we create are in digital format, scattered across numerous websites or social accounts. How do we sift through the high volume of "noise" and focus on the most precious of items we wish to preserve? Our digital world can be a double-edged sword—enabling easy sharing and interaction with the click of a button—but placing a huge responsibility on the end users to figure out how to preserve their digital legacies.

Luckily there are resources that can help to navigate the maze of service offerings so you can choose the best solutions that fit your personal preservation strategy and budget, and keep your sanity in the process. Some of these resources cover topics and questions such as the following:

- How permanent are my computer backups?
- Where is the best place to save my family tree?
- What do I do about all the obsolete media in the trunk in my basement?
- If I don't have time to organize my photos, can someone do it for me?
- Can I set up a beneficiary to manage my DNA account?
- To whom should I give my heirlooms?
- Can my family members access my digital accounts when I'm gone?
- How will I know what items my children or grandchildren want to inherit?

It's not morbid to be realistic about what you can accomplish in your lifetime, so you can prioritize the most important preservation activities first. Don't set yourself (or your heirs) up for failure and risk losing important pieces of your family legacy because you run out of time to prepare those treasures for succession by the next generation. Without adequate preparation, the most likely place your treasures will end up is in the trash!

Open conversations are encouraged so that you and your family members can all be “on the same page” with who will take on the responsibilities of caring for the family treasures. In fact, without direct conversation, you might make the wrong assumption about who is willing to do what to ensure your wishes are carried out after you are no longer able to oversee the preservation activities yourself.

Whether you are a beginning family historian just embarking on your journey of discovery, or have already amassed a large collection of sentimental items, understanding how to organize, prioritize and plan will ensure your success and the longevity of your collection. Your preservation activities are equally (or more) important than the fun “gathering” activities that create the situation in the first place!

Learn to create an action plan that will ensure your files will survive in the digital age, including converting obsolete physical media that is degrading more and more with each passing day. Determine if a permanent backup solution is right for you. Find additional help if you don’t have time to tackle all of your organization projects yourself.

Ultimately, with proper planning and the help of technology, you can ensure the most important items will be preserved for future generations. This is in stark contrast to leaving these tasks to chance, where someone else gets stuck trying to figure out what to do with an entire bookshelf, closet, or basement full of family history that is at risk of a quick trip to the dumpster!

If you are overwhelmed and don’t know where to start, plan to attend my upcoming presentation “Succession Planning for Your Life’s Treasured Memories,” where you will learn to set and achieve your family history preservation goals. You’ll receive plenty of tips to be able to successfully navigate today’s digital environment, and ensure your loved ones are beneficiary to all your hard work.

Join Deena Coutant as she presents Succession Planning for Your Life’s Treasured Memories for Townsend on Thursday, August 23, 2018 at the Downtown Aquarium. Please R.S.V.P. by calling our office at 303.452.5986.

(Quarterly Commentary continued)

near its end. Barring some sort of catastrophe such as a war or act of terrorism, we believe that there is a good chance that this expansion could last another year or two, based on current economic data.

Don’t let the idea of a future recession scare you; it’s inevitable. Since 1945, we have seen 10 recessions, with the average length being 10 months (source: Wikipedia) and like the stock market, it has always recovered. The risk of a new financial crisis like we saw 10 years ago is low. When this happens, it will be important to Not Panic, and keep your hands on the wheel and an eye to the horizon. Recessions can provide good buying opportunities for those who are patient.

In summary: We believe that the recent range-bound trading will end soon, and that the market will advance to new highs by the end of the year, but this won’t come without enduring continued volatility.

Should you have any questions or comments, don’t hesitate calling or emailing us. Best wishes for a good summer!



Townsend Client Corner

Townsend Night Out | Boulder's Dinner Theatre | May 2018



Townsend Adventure Club | Dinner Horseback Ride | June



Townsend On The Greens Ladies Golf Clinic May & June 2018



Townsend Client at Wrigley Field



Townsend Screaming Eagles Motorcycle Ride | June 2018



Townsend-Sponsored Bowling League. Congrats on your Championship!



Townsend Rollin' Oldies South Dakota Camping Trip | June 2018

Cayle's Connection

Stuff To Do

Ladies, come golf with me! I'm golfing 9 holes every other Wednesday at Legacy Ridge. I play "chick golf." That means there are no rules. If you want to pick up your ball and move it, please do. If you're a beginner, I'd love to golf with you. I remember starting off, and the sweet women who were so patient with me. I'm a very average golfer – nothing special here. If you're interested, call Linda and she'll get it set up.

Last year, several of us crocheted and knitted over 65 little red hats to donate to the American Heart Association's Little Hats, Big Hearts campaign. The hats are distributed to babies in February. My goal this year is to make at least 100. I've made 54 so far. If you're interested in helping, contact our office for yarn and patterns.

Do you like jazz? Denver's City Park has free jazz concerts on Sunday evenings in June and July. www.cityparkjazz.org/2018-calendar

Other free things to do include the Denver Museum of Nature and Science on July 5, August 13 and Sept 12 (4 p.m. – 10 p.m.). Denver Botanic Gardens has free days July 19 and August 29.

Where's your favorite place to get ice cream? Emma and I had ice cream at Little Man in LoHi and I'm hooked! There's also Sweet Cow, High Point Creamery, Nuggs and Frozen Matter.

How about a movie outside? Check out <https://tinyurl.com/y8363vxg> to find one near you.

Ever wish you could go to a movie at a drive-in theatre? There are now 2 available. The 88 in Commerce City (www.88drivein.net) and the Denver Mart Drive In (www.denvermartdrivein.com).

This and That

When I was growing up, my mom would go to AAA and get a TripTik before we went on a trip. These are spiral-bound notebooks full of maps and travel tips. They're still available for members. We've been members for a very long time. I like that if I get a flat tire on my road bike, they'll come pick me up!

www.colorado.aaa.com

Things For The Brain

Recently on NPR I heard about Active Minds. Active Minds started in 2002 as a series of poetry classes in a church basement in Denver. Before long, it grew to include other courses focusing on contemporary global issues, historical themes, and other matters of importance. The original audience was primarily senior citizens, but over time Active Minds has grown to serve adults of all ages through programming at book stores, libraries and corporations. Check it out at <http://activeminds.com>

I recently discovered The Great Courses. They're digital courses you can download and learn at your own pace. Better Living, Fine Arts, Economics & Finance, and History are some of the topics. Prices vary, and there's always something on sale. <https://www.thegreatcourses.com/>



Have a sizzlin'
summer!!
~Cayle Townsend

TOWNSEND

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