

Emerald Spectrum Advisory

The November Newsletter

Investing in Yourself for a Change



Retirement. College. An emergency fund. A new home or home improvement project. Check, check, check, and check. If you've been saving faithfully each month for some or all of these things, you might feel that you're on a never-ending financial treadmill. It takes discipline, perseverance, and sacrifice to maintain a robust savings effort month after month, all while meeting your day-to-day financial obligations.

But with such planning and focus, it's possible to get into a rut of always saving for the future with nothing left for today. If so, it might be time to take a step back and focus on the present. If you can't remember the last time you felt energized or inspired in your daily life, consider investing in a new asset: yourself. Focusing on yourself from time to time might just give you the extra motivation you need to stick with your long-term savings plan. Think of it as seeing the trees instead of the forest for a change.

If you find yourself with a small windfall from a tax refund, bonus, flexible spending account reimbursement, or simply a cut in discretionary spending, here are some ideas for spending it.

Focus on your health and well-being

Are you feeling sluggish or stressed out? Having trouble sleeping? Watching the pounds creep on little by little each year? It might be time to focus on your health and well-being. Staying active is critical to maintaining good physical and mental health. Regular exercise can help control your weight; prevent disease; improve your mood, sleep, and energy levels; and generally make it easier for you to tackle all the things — financial and otherwise — on your plate each day.

To get on the health track, you could join a gym; work with a personal trainer or nutritionist; or sign up for a yoga, weight, or other fitness class. Or start on your own personal fitness path by purchasing home exercise equipment and workout gear for training trips around the block or a 5K.

Sore muscles? Chronic backache? Neck pain from working at a computer all day? Maybe it's time to see a physical therapist and invest in an ergonomic office chair, a stand-up desk, or a new bed and pillows.

What about your diet? Do your eating habits need improvement? Consider investing in some new kitchen equipment/appliances, cookbooks, a food delivery service, or even a cooking class so you can try new recipes and discover healthy dishes you enjoy.

Along with better physical health, maybe you could benefit from some inner peace and quiet, too. Consider creating a meditation spot inside or outside your home where you can go to relax and reflect on your day: a bench under a favorite tree, a new chair next to the fireplace, or a small desk near a window.

Expand your horizons, literally and figuratively

Do you feel as though you're living the same day over and over again? Doing something outside your normal routine can shake out the cobwebs and give you fresh inspiration and a new perspective. Possibilities include taking a trip to a new destination, participating in a short volunteer vacation, enrolling in an adult education class, or getting involved in a new project or hobby and seeing how much fun a creative outlet can be. You don't have to limit yourself to one!

Get up-to-date

Still sporting clothes, eyeglasses, or a hairstyle from your younger days? Carrying a worn briefcase or bag to work every day? Trying to accomplish tasks on an old laptop? Maybe it's time to update your wardrobe and accessories.

When you have many financial obligations, it's easy to put yourself last. But occasionally, it's important to put yourself first. In addition to the immediate benefits, investing in your health and interests might pay off in the future in the form of lower health-care costs, a wider social network of friends, fulfilling hobbies, and a new perspective on life.

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"AN EXTRAORDINARY PLANNING EXPERIENCE"

Alzheimer's Disease Myths and Facts Quiz



Additional facts

According to the [Alzheimer's Association](http://www.alz.org) (www.alz.org):

5.7 million Americans are living with Alzheimer's disease.

Between 2000 and 2015, deaths from heart disease have decreased 11% while deaths from Alzheimer's disease have increased 123%.

One in three people dies with Alzheimer's disease or another dementia.

Over 18 billion hours of care, valued at more than \$232 billion, are provided by family and other unpaid caregivers.

People with Alzheimer's disease or other dementias have twice as many hospital stays per year as other older people, and almost two-thirds of Americans with Alzheimer's disease are women.

The probability of needing long-term care is growing. According to the U.S. Department of Health and Human Services, Americans turning age 65 today have nearly a 70% chance of needing some type of long-term care services in their remaining years.¹ There are many reasons why you may need long-term care, but one of the growing causes includes forms of dementia, particularly Alzheimer's disease.

While estimates vary, experts suggest that more than 5.7 million Americans may have Alzheimer's.² Alzheimer's disease is currently ranked as the sixth leading cause of death in the United States, but recent estimates indicate that the disorder may rank third, just behind heart disease and cancer.²

Here's a short quiz that may help you understand more about dementia and Alzheimer's disease and the need to plan for their potential onset.

Quiz

1. True or False: There is a way to prevent Alzheimer's disease.

- a. True
- b. False

2. Which statement is true?

- a. Alzheimer's disease affects only people in their 60s and older
- b. Alzheimer's disease is always hereditary
- c. Currently, there is no cure for Alzheimer's disease

3. What is the greatest risk factor for Alzheimer's disease?

- a. Increased age
- b. Gender
- c. Genetics

4. What is often one of the first signs of Alzheimer's disease?

- a. Skin rash
- b. Difficulty walking
- c. Difficulty finding the right words

5. When or how can Alzheimer's disease be diagnosed with certainty?

- a. Through blood tests
- b. Only after death
- c. Through an MRI

6. True or False: Some medications can be used to treat symptoms of Alzheimer's disease.

- a. True

- b. False

7. What is the approximate lifetime cost of care for an individual with dementia in 2018?

- a. \$145,000
- b. \$879,000
- c. \$342,000

8. According to latest figures, approximately how many Americans provide unpaid care for people with Alzheimer's disease?

- a. 1 million
- b. 16 million
- c. 5 million

9. Which statement is true about communicating with someone who has dementia or Alzheimer's disease?

- a. Avoid eye contact
- b. Interrupt the person and try to finish his or her sentences
- c. Offer simple instructions and allow ample time for a response

10. Examples of advance directives for health care include each of the following except?

- a. A living will
- b. A durable power of attorney for health care
- c. A deed

Plan now

Planning for long-term care and the possibility of dementia or Alzheimer's disease is important for you and your loved ones. What type of health care would you want if you weren't able to communicate your choices? Plan ahead to make sure you get the medical care you want.

¹ [U.S. Dept. of Health and Human Services](http://www.hhs.gov)

² [National Institute on Aging](http://www.nia.nih.gov)

Quiz answers

- 1. [b \(Alzheimer's Association\)](http://www.alz.org)
- 2. [c \(National Institute on Aging\)](http://www.nia.nih.gov)
- 3. [a \(National Institute on Aging\)](http://www.nia.nih.gov)
- 4. [c \(National Institute on Aging\)](http://www.nia.nih.gov)
- 5. [b \(National Institute on Aging\)](http://www.alz.org)
- 6. [a \(Alzheimer's Association\)](http://www.alz.org)
- 7. [c \(Alzheimer's Association\)](http://www.alz.org)
- 8. [b \(Alzheimer's Association\)](http://www.alz.org)
- 9. [c \(National Institute on Aging\)](http://www.nia.nih.gov)
- 10. [c \(National Institute on Aging\)](http://www.nia.nih.gov)

Reviewing Your Estate Plan



An estate plan should be reviewed periodically, especially after a major life event. Here are some ideas about when to review your estate plan and some things to review when you do.

An estate plan is a map that explains how you want your personal and financial affairs to be handled in the event of your incapacity or death. Due to its importance and because circumstances change over time, you should periodically review your estate plan and update it as needed.

When should you review your estate plan?

Reviewing your estate plan will alert you to any changes that need to be addressed. For example, you may need to make changes to your plan to ensure it meets all of your goals, or when an executor, trustee, or guardian can no longer serve in that capacity. Although there's no hard-and-fast rule about when you should review your estate plan, you'll probably want to do a quick review each year, because changes in the economy and in the tax code often occur on a yearly basis. Every five years, do a more thorough review.

You should also review your estate plan immediately after a major life event or change in your circumstances. Events that should trigger a review include:

- There has been a change in your marital status (many states have laws that revoke part or all of your will if you marry or get divorced) or that of your children or grandchildren.
- There has been an addition to your family through birth, adoption, or marriage (stepchildren).
- Your spouse or a family member has died, has become ill, or is incapacitated.
- Your spouse, your parents, or another family member has become dependent on you.
- There has been a substantial change in the value of your assets or in your plans for their use.
- You have received a sizable inheritance or gift.
- Your income level or requirements have changed.
- You are retiring.
- You have made (or are considering making) a change to any part of your estate plan.

Some things to review

Here are some things to consider while doing a periodic review of your estate plan:

- Who are your family members and friends? What is your relationship with them? What are their circumstances in life? Do any have special needs?

- Do you have a valid will? Does it reflect your current goals and objectives about who receives what after you die? Is your choice of an executor or a guardian for your minor children still appropriate?
- In the event you become incapacitated, do you have a living will, durable power of attorney for health care, or Do Not Resuscitate order to manage medical decisions?
- In the event you become incapacitated, do you have a living trust or durable power of attorney to manage your property?
- What property do you own and how is it titled (e.g., outright or jointly with right of survivorship)? Property owned jointly with right of survivorship passes automatically to the surviving owner(s) at your death.
- Have you reviewed your beneficiary designations for your retirement plans and life insurance policies? These types of property pass automatically to the designated beneficiaries at your death.
- Do you have any trusts, living or testamentary? Property held in trust passes to beneficiaries according to the terms of the trust. There are up-front costs and often ongoing expenses associated with the creation and maintenance of trusts.
- Do you plan to make any lifetime gifts to family members or friends?
- Do you have any plans for charitable gifts or bequests?
- If you own or co-own a business, have provisions been made to transfer your business interest? Is there a buy-sell agreement with adequate funding? Would lifetime gifts be appropriate?
- Do you own sufficient life insurance to meet your needs at death? Have those needs been evaluated?
- Have you considered the impact of gift, estate, generation-skipping, and income taxes, both federal and state?

This is just a brief overview of some ideas for a periodic review of your estate plan. Each person's situation is unique. An estate planning attorney may be able to assist you with this process.

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How can I safely shop online this holiday season?

Shopping online is especially popular during the holiday season, when many people prefer to avoid the crowds and purchase gifts with a few clicks of a mouse. However, with this convenience comes the danger of having your personal and financial information stolen by computer hackers.

Before you click, you might consider the following tips for a safer online shopping experience.

Pay by credit instead of debit. Credit card payments can be withheld if there is a dispute, but debit cards are typically debited quickly. In addition, credit cards generally have better protection than debit cards against fraudulent charges.

Maintain strong passwords. When you order through an online account, you should create a strong password. A strong password should be at least eight characters long, using a combination of lower-case letters, upper-case letters, numbers, and symbols or a random phrase. Avoid dictionary words and personal information such as your name and address. Also create a separate and unique password

for each account or website you use, and try to change passwords frequently. To keep track of all your password information, consider using password management software, which generates strong, unique passwords that you control through a single master password.

Beware of scam websites. Typing one word into a search engine to reach a particular retailer's website may be easy, but it sometimes won't bring you to the site you are actually looking for. Scam websites may contain URLs that look like misspelled brand or store names to trick online shoppers. To help you determine whether an online retailer is reputable, research sites before you shop and read reviews from previous customers. Look for <https://> in the URL and not just <http://>, since the "s" indicates a secure connection.

Watch out for fake phishing and delivery emails. Beware of emails that contain links or ask for personal information. Legitimate shopping websites will never email you and randomly ask for your personal information. In addition, be aware of fake emails disguised as package delivery emails. Make sure that all delivery emails are from reputable delivery companies you recognize.



How can I protect my personal and financial information from credit fraud and identity theft?

In today's digital world, massive computer hacks and data breaches are common occurrences. And chances are, your personal or financial information is now susceptible to being used for credit fraud or identity theft. If you discover that you are the victim of either of these crimes, you should consider placing a credit freeze or fraud alert on your credit report to protect yourself.

A credit freeze prevents new credit and accounts from being opened in your name. Once you obtain a credit freeze, creditors won't be allowed to access your credit report and therefore cannot offer new credit. This helps prevent identity thieves from applying for credit or opening fraudulent accounts in your name.

To place a credit freeze on your credit report, you must contact each credit reporting agency separately either by phone or by filling out an online form. Keep in mind that a credit freeze is permanent and stays on your credit report until you unfreeze it. This is important, because if you want to apply for credit with a new financial institution in the future, open a new bank account, or even apply for a job or rent an

apartment, you will need to "unlock" or "thaw" the credit freeze with each credit reporting agency.

A less drastic option is to place a fraud alert on your credit report. A fraud alert requires creditors to take extra steps to verify your identity before extending any existing credit or issuing new credit in your name. To request a fraud alert, you only have to contact one of the three major reporting agencies, and the information will be passed along to the other two.

Recently, as part of the Economic Growth, Regulatory Relief and Consumer Protection Act of 2018, Congress made several changes to credit rules that benefit consumers. Under the new law, consumers are now allowed to "freeze" and "unfreeze" their credit reports free of charge at all three of the major credit reporting bureaus, Equifax, Experian, and TransUnion. In addition, the law extends initial fraud alert protection to one full year. Previously, fraud alerts expired after 90 days unless they were renewed.