Financial Services Advisory
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5 Tips That Can Help Get Your Kids Into College

Saving money for college is a daunting proposition. But there's another big challenge—making sure your high school sophomore or junior is doing the right things to improve the odds of being admitted to college. Here are five tips for helping bolster your children's academic standing:

1. Selecting the right classes. The courses your child chooses do make a difference, particularly if the goal is to get into a top-flight college or a particular field of study. For instance, if your child wants to enter one of the top U.S. engineering programs—at Georgia Tech, Purdue, MIT, or another leading school—he or she will need to have taken at least trigonometry and pre-calculus.

College admissions counselors base acceptance decisions on high school coursework completed through the junior year. They'll also want to see a list of classes a student will be taking as a senior. You can help by finding out what courses are required, or preferred, by the colleges on your child's wish list.

2. Test preparation. Whether your child is taking the SAT, the ACT, or both, doing well on these tests is likely to require considerable preparation.

Getting ready can take many forms, from buying a guide that walks kids though the exam and gives test-taking strategies, to completing online SAT practice tests from the College Board, to signing up for a formal SAT/ACT preparation course. At the very least, the published guides and online samples can be a good way for students to become familiar and comfortable with the test format.

If you think your child will need more intensive help to ace the test—many bright, talented students aren't great test-takers—you may find that coursework, tutors, and anxiety-coping strategies can be effective.

3. Summer experience. For many high school students, the summer between their junior year and senior year is their last opportunity to gain real-life experience that is relevant to their career interests. It also can provide excellent material for college essays and personal statements that students may be asked to explain why they're interested in a particular college or area of study.

Students might gain experience through a job, an internship (paid or unpaid), or they might interview people in fields that interest them.

4. Vacation with a purpose. A summertime family trip could be a great time to visit prospective colleges. While you're there:

- Pick up copies of the student newspaper to find out what's going on at the school.
- Ask questions of students and residents to learn what the climate will be like when it's not summer.
- Seek out the professors in your

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New Faces At FSA!

It's not every day that I have the pleasure of announcing new members of the FSA family. That said, I'm feeling very blessed I get to introduce you to four (drumroll please):

Rianka Dorsainvil, CFP®- Rianka is someone you'll be seeing a lot. She is one of the Financial Advisors (in addition to Kim Scott) who is available to answer any and all questions you may have about your accounts or financial advice needs.

Justin Wood– Justin is the newest member of our Investment Management team. As a research analyst, he assists in trading as well as searching and selecting appropriate investments to be considered for your portfolios.

Dan Routh– After recently completing the Financial Planning curriculum from Virginia Tech, Dan joined FSA as a Client Service Associate and will be helping clients with administrative tasks such as setting up appointments, facilitating money transfers and handling paperwork.

Ashley Prideaux– You know that welcoming voice you hear when you call our office? Or that pleasant smile you see when you stop by? That's Ashley! She is our dedicated administrative assistant who helps with anything and everything from directing your call to the appropriate person, making sure you're comfortable when you come in for a meeting, or simply supporting others in the office.

Say hello when you get the chance!

Jim Joseph, CFP®
Vice President

What To Do After Your Bucket List

You hear a lot about how much money you should save to live the lifestyle you desire when you retire. But equally important, and maybe even more so, is the question of how you are going to live in retirement.

After you have checked off all of the items on your bucket list and taken all of the trips you can afford, how do you spend the rest of your time (which now is all leisure)? This happens to be a question some people overlook as they enter their retirement years, but it is critically important for pre-retirees to consider.

People are living longer these days, so you may be looking at a retirement period of 20 years, or even more. You will have a lot of leisure time. A long retirement period can take you into the advanced elderly years, a time when many retirees are physically unable to work part-time, serve as volunteers, or even keep up with their gardening. And watching TV, playing computer games, and emailing your friends and family can get boring when you do it all day—for a few years.

So, what can you do?

One answer is to move to a retirement community. This definitely could be a consideration when planning your retirement. Retirement communities are designed to alleviate a boring (and life-shortening) lifestyle. Found throughout the United States, they often are located close to medical facilities—another important consideration because you probably will require increased medical attention as you grow older.

Many people entering their retirement years want to remain near family members. So if you're considering a retirement community, you may want to look somewhere that's close to much of your family.

Six other things you may want to consider if you choose to move to a retirement community:

1. Facilities. What does the community offer in addition to the omnipresent community clubhouse? Many communities feature activities and facilities designed especially for retirees, such as swimming pools, tennis courts, bocce courts, arts and crafts courses, photography clubs, home-state clubs, woodworking shops, computer rooms, card rooms, bingo games, movies, little theater, community dinners, and special events. Some even provide golf courses.

2. Fees and taxes. Make sure you are financially comfortable with homeowner association fees, insurance rates, and property taxes (if applicable).

3. Resale value. What is the real estate sales history of the community? Have home and condo valuations generally trended upward during the years of its existence? Have home and condo prices recovered somewhat from the real estate bust of a few years ago?

4. Shopping. Is the community located near stores and shopping centers?

5. Restaurants. A lot of retirees like to eat out as frequently as they can afford. Are good restaurants conveniently located? Do many of these restaurants offer "early bird" menus at a discount?

6. Transportation. Some senior citizens may choose to give up their drivers' licenses as they enter the upper years of old age. Having public transportation available could be an important consideration.

And finally, what about the question of how much money you should save for your retirement? A better question may be: How much will you need to pay your retirement expenses each month? We can help you with that answer. And we can help you plan the retirement lifestyle choices that best suit you. ●

Are You Confident About Retirement?

Every year, the Employee Benefits Research Institute (EBRI), an independent research firm, gauges the confidence levels of retirement-savers. The results of its 24th Retirement Confidence Survey may make you sit up and take notice.

What jumps out is that an astounding 36% of current workers say they have saved $1,000 or less for retirement. Naturally, this figure is skewed somewhat by younger employees, of whom about half have less than $1,000 in savings, but 24% of the respondents over age 55 still haven't scaled the four-figure mark. At the same time, 42% of workers over age 55 say they've saved at least $100,000, while 23% in that age category have socked away more than $250,000.

As far as the rest of the report goes, Americans are becoming slightly more confident about retirement saving, although there's still plenty of cause for concern.

According to the 2014 survey, based on interviews with 1,000 current workers and 500 retirees, 18% of the current workers were "very confident" they would have enough money to live on comfortably throughout their retirement. That's up from a record low of 13% lasting from 2009 through 2013. Among retirees, the "very confident" figure was 28%, higher than the 18% figure last year.

Significantly, EBRI noted that the numbers haven't bounced back all the way since the downturn year of 2008. In that watershed year, 27% of current workers and 41% of retirees were very confident about retirement. Meanwhile, the percentage of current workers and retirees who are "not at all confident"— 25% and 17%, respectively—essentially hasn't budged since the downturn.

Almost all of the increases in confidence occurred among households with incomes above $75,000. For households with lower incomes, daily

Dispel These 7 Popular Myths About Retirement

Retirement is changing. People are living longer, and many stay healthy and vital into their 80s and 90s. Working, at least part time, has become more commonplace. Yet with fewer and fewer corporate pensions to fall back on these days, the money to pay for a long life after work may not be there. And with change comes confusion and misperceptions about what really may happen during your retirement, however you define it.

Consider these seven common ideas that may prove overly optimistic—and then tweak your plans to make sure you don't fall short of your goals:

Myth #1: You'll have saved enough for retirement when you get there.

According to a 2014 survey by the Employee Benefits Research Institute (EBRI), an independent research firm, only 42% of current workers over age 55 say they've saved at least $100,000, while just 23% have set aside more than $250,000. The EBRI survey also indicated that just 18% of all workers were "very confident" they've saved enough for retirement. You easily could find yourself facing a shortfall.

Myth #2. You'll spend a lot less than you do now.

Some cash outlays, such as paying off the mortgage and sending the kids to college, no longer may apply. But what do you want your retirement to look like? If you've envisioned globe-trotting or indulging in expensive hobbies, you may find that will erode your nest egg more quickly than you expected. Unexpected expenses—high-priced dental work, say, or a down payment for a child's home—also can siphon away funds.

Myth #3. You'll save a lot of money when you downsize your home.

Moving to a smaller place probably will reduce maintenance costs and property taxes. But that doesn't mean you won't still have all the usual expenses associated with home ownership—just on a smaller scale—plus other possible fees that may apply if you've moved into an over-55 community. And if you've relocated to a ritzy neighborhood in a city or resort area, your expenses could go up.

Myth #4. You'll continue working past the normal retirement age.

You may want to stay on the job or shift to something else, but such plans don't always work out, and health problems also could pose obstacles. And if you're counting on job income to shore up your finances through many years of "retirement," not being able to do it—or deciding you're just not up to it—could leave a big hole in your retirement income.

Myth #5. You easily can get a part-time job if you need one.

When you retire from your full-time position, you might seek part-time employment, but those jobs may be harder to find, and to keep, than you imagine. You may be competing with youngsters who are more tech-savvy than you for jobs requiring computer skills. What's more, if you're living in an area with numerous other retirees, which is often the case, the competition can be fierce.

Myth #6. You can rely on Medicare for all your medical expenses.

Retirees often expect Medicare to pick up the entire cost of physician visits, hearing or eye exams, or the like, but that's simply not how the system works. In fact, Medicare covers only roughly half of such expenses, according to data recently provided by the Kaiser Family Foundation. And don't overlook the exorbitant costs of staying in a long-term care facility or paying for in-home nursing care. If you don't have a supplemental policy, Medicare might not provide enough coverage for you.

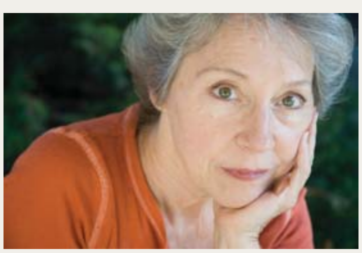
Myth #7. You can rely on Social Security for most of your income.

Different people have different ideas about Social Security. Some almost disregard those payments from the government, thinking they'll be too small to make any difference in funding retirement. Others, though, talk about Social Security like it's the be-all, end-all. It's neither. The fact is, Social Security can be genuinely helpful, often covering some of your essential expenses. But for most people it's not nearly enough to live on. The Social Security Administration says the average monthly benefit in 2014 is $1,294, which works out to $15,528 a year. That's why it's vital to take steps to supplement Social Security with income from investments, employer retirement plans, IRAs, and other sources.

There's one more myth we would like to expose—that it's too late to change your destiny. Reexamine your basic assumptions about your retirement and then make a reasonable retirement savings plan based on your needs and realistic objectives. ●

expenses don't seem to leave much room for savings. Coincidentally, 53% of respondents in the survey cited a high cost of living to explain why they can't or won't save more.

Here are some other noteworthy findings:



- Having a plan helps. Upper-income respondents were much more likely to participate in a 401(k) or other employer-sponsored retirement plan. The mere presence of such a plan seems to boost confidence in retirement saving.
- Many expect to work part-time in retirement. Almost two-thirds of current workers think they'll work during retirement to make ends meet. But only 27% of retires say they've been employed after retiring. The idea of working part-time in retirement is a common misconception.
- Count on a calculator. For respondents with an employer plan, EBRI used the Department of Labor (DOL) Lifetime Income Calculator to estimate monthly income in retirement. The DOL argues that this motivates workers to increase savings.

What about you? If you're not confident in your ability to save for retirement, we can help you create a realistic plan. ●

Five Financial Vows For Newlyweds

Are you, or is one of your children, tying the knot? For any couple heading to the altar, financial matters can emerge as a major challenge. As much as you may love each other, there's no guarantee you'll be on the same page about money. In fact, it's not unusual for a "spender" and "saver" to join together in holy matrimony, only to find out they're at odds over finances once the honeymoon is over.

A better alternative may be to address financial issues before you wed. Consider these five practical suggestions:

1. Conduct an inventory. It may help to start by figuring out who has what and how much. List the assets you have coming into the marriage and get your partner to do the same. But don't forget the other side of the ledger. Be sure to take stock of each one's outstanding debts and other liabilities.

2. Get organized. Once you've finished the inventory, put your financial affairs in order. One big decision is whether you want to keep your individual assets separate or combine them in joint accounts. This is a personal preference, but younger couples tend to pool their resources while older couples, especially those embarking on a second or third marriage, are more likely to maintain separation, at least initially. You also will need to consider the beneficiary designations on retirement accounts and other holdings. For example, will you leave things to each other?

3. Set your priorities. Developing a long-range financial plan actually can help your marriage succeed. Do you want to have kids? Will you pay for their college? What about owning a home? It's not too early for newlyweds in their 20s or 30s to establish savings goals. Also, don't ignore the need to set aside funds for retirement, even if it's decades away. If you have other objectives—owning a vacation home, for instance—factor those into the mix.

4. Don't forget insurance. While your main focus is likely to be on meeting your goals, you can't assume everything will go smoothly, and an illness or job loss could be a major setback and put pressure on your marriage. One way to hedge against future problems is to obtain health insurance, life insurance, disability income insurance, and long-term care insurance.

5. Hope for the best but plan for the worst. Almost half of marriages end in divorce. It may be difficult to broach the topic, but you may want to consider using a prenuptial agreement, especially if you're the one bringing most of the assets into the marriage or if you're getting married late in life. "Prenups" no longer carry the stigma they once did, and having a clear-cut agreement about what happens if you split up actually could help keep you together.

Finally, remember that we're here to provide whatever financial assistance you may need. ●

Tips To Get Kids In College

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child's areas of interest. Faculty schedules in the summer are often less frantic than during the academic year.

• This is also an ideal time to make a positive, lasting connection with an admissions counselor. The summer pace is slower for the admissions staff, too, and they have more time to spend with families.

• While visits are important, it's easy to fall in love with the campus of a college that may be out of reach for a particular student. On the other hand, there's nothing wrong with aiming high, and working harder to get into a dream school could be a benefit no matter what.

5. Advance planning for the application process. The more students can find out about the colleges they want to attend, including application requirements, the better prepared they may be to throw themselves into a very selective application process. Two of the most intensive aspects of that process are essays and letters of recommendation.

There's no "one-size-fits-all" essay. Many colleges now require essays of various lengths and topics in addition to the essay prompts on the Common Application. Here, too, preparation can be very helpful, with students thinking about what they want to write and taking the time to develop an effective essay.

As far as recommendations go, keep in mind that the best teachers are likely to be in great demand, and it's important to get a request in early.

Of course, your part in this process, beyond helping your student prepare and not miss important deadlines, is to make sure you're financially ready to foot part or all of the college tab. Good preparation isn't just for the kids. ●