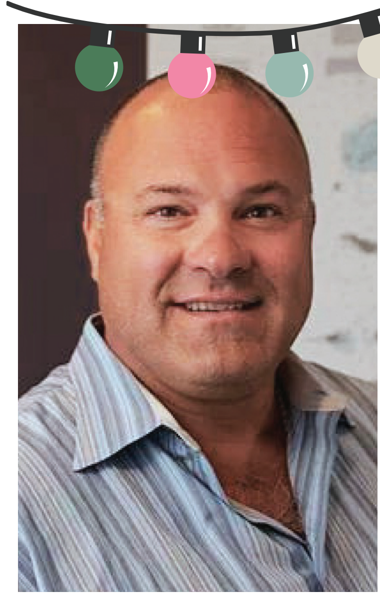
Great Lakes Benefits
& Wealth Management

1325 Hull Road, Sandusky, OH 44870

TODAY'S RETIREES NEWSLETTER

December 2024



My staff and I wish you and your family a

Merry Christmas and a Healthy and Happy New Year!

To learn more about how Great Lakes Benefits & Wealth Management can partner with you to develop a cohesive, prudent strategy to confidently pursue your lifestyle and financial goals, schedule a complimentary meeting with Wayne over the phone, through video-conference, or in our office.

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Recipe of the Month

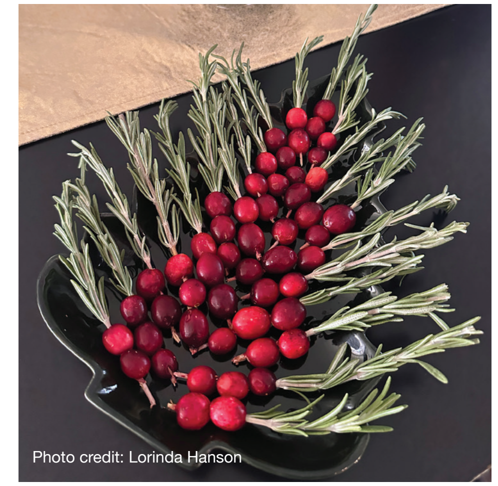


Photo credit: Lorinda Hanson

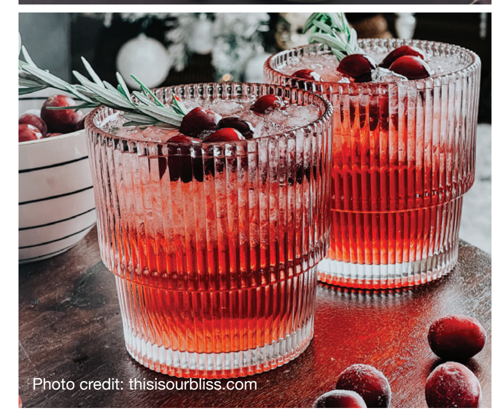


Photo credit: thisisourbliss.com

Cranberry and Rosemary Garnish

Elevate your holiday party or gathering with this beautiful and simple garnish! Serve your punch, cocktail, mocktail or even water with these festive cranberry and rosemary sprigs. Or use them to add color to your charcuterie board or cheese plate!

- 1-2+ containers of fresh rosemary (you can usually get around 5 full pieces in each, so it depends on how many you want to make)
- 1 bag of fresh cranberries

Take one sprig and slide off the rosemary until about 1-2 inches are bare at the bottom.

Next, take a cranberry, poke the bare sprig through the center and slide it up. (Tip: I used a fat toothpick to pre-poke the holes in the cranberries so the rosemary stem doesn't bend or break.)

Repeat 1-2 more times. 2-3 cranberries will fit on the sprig depending on size.

Add to your favorite drink and enjoy!

What's in season? Mandarin oranges, clementines, and tangerines, winter berries (cranberries!), herbs (rosemary!), Meyer lemons, kiwifruit, wild mushrooms, beets, turnips, rutabagas, winter squash, collard greens, kale, cauliflower, Brussels sprouts, chestnuts

Thank you **for your referrals!**

December recipient: **Mrs. Erica Hager**

Refer us to a friend or family member and receive a gift card!

How to Stay Financially Healthy this Holiday Season

The holiday season brings the excitement of gift-giving, festive gatherings, and meals shared with family. However, it's also a time when many people find themselves spending more than anticipated. Here are some practical approaches to help you manage your holiday budget:

Create a Realistic Budget
This includes gifts, travel, food, decorations, and other seasonal expenses. Setting limits for each category can help manage costs and prevent overspending.

Make a List and Stick to It
One way to control spending is by making a list of everyone you plan to buy for, along with potential gift ideas and price ranges.

Look for Deals, But Be Cautious
Comparing prices across retailers can help determine whether you're truly getting a good deal. It's also wise to avoid buying something just because it's on sale.

Avoid Last-Minute Shopping
Rushed, last-minute shopping can lead to overspending. When you're short on time, it's easier to buy more expensive items or miss out on opportunities to compare prices. Starting early in the season gives you more time to find thoughtful gifts that fit within your budget.

Consider Alternatives to Expensive Gifts
Homemade gifts, such as baked goods, crafts, or personalized items, can offer a meaningful and more affordable alternative. Experiences, such as a family outing or a shared meal, can also be a thoughtful way to celebrate the season without overspending.

For larger families or groups of friends, organizing a gift exchange—where each person buys for just one other—can help reduce overall costs while still providing the joy of giving.

Plan for Other Holiday Expenses
While gifts often take center stage, other holiday-related costs can add up quickly. If you're planning to host guests or travel during the holidays, it's helpful to factor these costs into your holiday budget.

Reflect on Last Year's Spending
Looking back at how much you spent in previous holiday seasons can provide insight into what worked well and where you might want to make adjustments. Were there areas where you overspent or felt unnecessary pressure? Did any expenses surprise you?

Smart holiday spending doesn't mean cutting back on the joy of the season. By budgeting, planning, and making thoughtful decisions, it's possible to enjoy the holidays while keeping your finances in check.

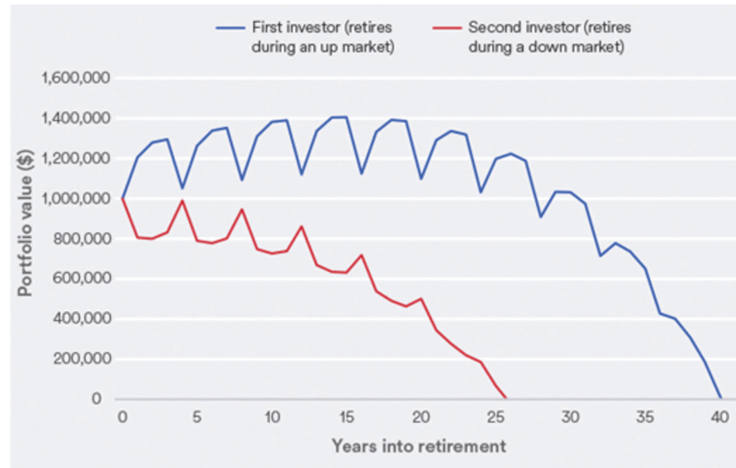
Monthly Message from Wayne

I'm writing this message to you earlier than normal in the month, because our graphic designer Lorinda will be vacationing and asked me to get it to her early. Once Lorinda gets my message, or while waiting on it, she prepares the layout, recipes, special additional info add-ins, color schemes etc. Then she prepares the mail/print merge and gets it to Kristin, who then sends it to our printing machine. Alicia then takes over and runs them through the folding machine for the first fold. Alicia does the second fold by hand and tabs, organizes, and takes them to the post office with a check. Thousands go out each month. There is much work that goes into these, and it isn't cheap! So, we hope you enjoy them.

Imagine being a young Democrat voting in your first election this past November and experiencing the loss of your candidate. Or being a young Ohio State fan and having your heart crushed by Michigan a couple Saturdays ago. Now imagine being a young Republican, or a young Michigan fan and experiencing those same two events. Same election. Same football game. Different results depending on the side you supported. Now go back in time and make yourself a young Democrat in 2008, or Republican in 2020. Or a young Ohio State fan in 2019 when they beat Michigan big.

"When" these young examples became supporters or fans has a lot to do with the outcome of their experience. Same political side, same football teams, different time/era and different results. This brings me to the point I'd like you to understand and understand well! The sequence of events can make all the difference in the world. This plays into the "Sequence of Returns" when it comes to financial and retirement planning. Have you ever heard of Sequence of Returns? I've written about it before, but not in as much detail as today. Since the market is at or near record highs right now, I felt now was a good time to bring it up again.

SEQUENCE OF RETURN RISK: AN EXAMPLE



Even if two investors start with the same portfolio value, their retirement funds will diminish at different rates depending on the state of the markets when they retire.

If you retired towards the end of 1999 or 2000 for example, and you had $500,000 saved in the market, and you were going to rely on a 4% withdrawal rate (some would take even more), that's $20,000 per year. In 2000 the market dropped 10%. You pulled your $20k, and the value of your investment dropped $50k. Now you have $430,000. Then in 2001 you pull another $20,000 to live on, and the market dropped 13%. That's $56,000 off the $430k, minus the $20k you pulled to live off. Now you have $354,000. Then in 2002 it gets even worse, the market is down 24% (subtract $85k). You pull your $20,000, now we have $249,000. Uh Oh! If we then take your $20k for 2003 to live on, we are at an 8% withdraw rate to stay even. You can see that this person will run out of money if they do not make some major adjustments.

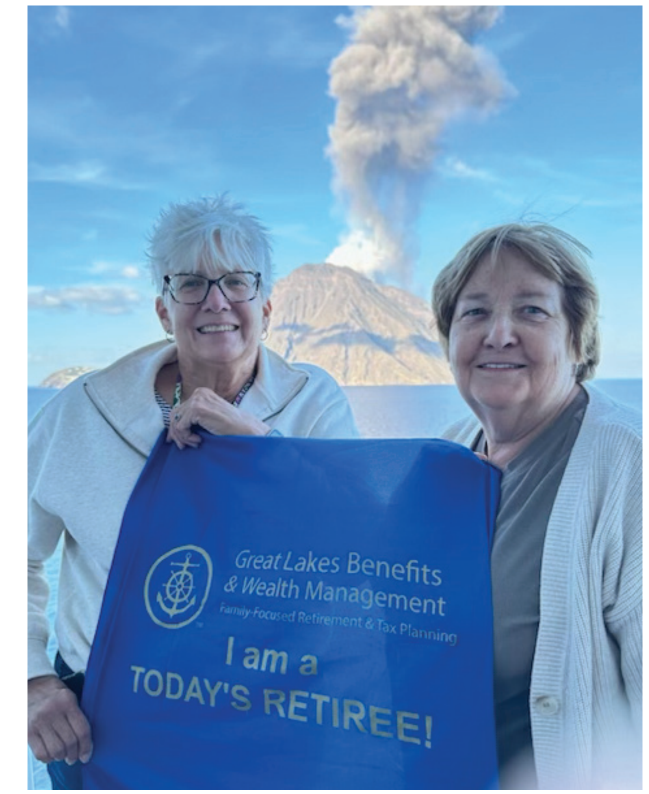
Now let's do this same retirement towards the end of 2008. We start with $500,000. In 2009 the market is up 27%, so we add $135k, minus our $20k for income, we have $615,000. Then in 2010 the market is up 15% or $92k, this puts us at $707k, minus our $20k, and we have $687,000. In 2011 we gain 2% or $14k, minus our $20k to live on, and we end with $681,000 for the same three-year period. ***One retiree has $249,000 to work with after three years being retired... the other $681,000. The ONLY difference is when they CHOSE to retire.*** I say chose because it is a choice. The first retiree could have chosen not to retire. Could have chosen not to pull the same $20k after they saw the market going down. These retirees also could have added bonds to their portfolios, and safe monies too, and not be all in the markets. One key factor to note is if you decide on a retirement withdrawal percentage, in this case we used 4%, then you should consider staying at the 4%. ***4% of the current value, not the starting value.*** It can make or break your retirement.

I started with a political and sports analogy just because those topics are on a lot of our minds, and it may help you understand more the sequence of events and the sequence of returns for those of you not as numbers oriented. It's important you know this, or at least are working with a Certified Financial Planner Professional™ who does know and understand this. And when they caution you that things have changed and suggest you cut back on your withdrawals, your spending, your risk, or all the above, you should do it, or at least consider it.

Until next month,

Wayne

Traveler of the month...



Kathy Smetzer

Kathy was traveling with Susan Myers, another wonderful client of Great Lakes Benefits & Wealth Management. They were on a cruise when they snapped this amazing photo of Mount Stromboli Volcano in Italy, which had just started to erupt!

If you are one of Wayne's "managed money" clients, don't forget to take an interesting picture of you on vacation holding up our GLB "I am a Today's Retiree" handkerchief for the chance to win a $100 gift card!