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“News from the Nest”

Welcome to our quarterly newsletter. We want to make this meaningful for you, so please email us at: Mary@NestBuilderFinancial.com with your suggestions, comments or questions.

Recently

Nest Builder is in the news: we were quoted for an article on 401(k)s in U.S. News and World report and interviewed for a piece on realtor.com on financial mistakes homeowners make that may delay their retirement. If you know someone that needs help in these areas, please refer them to the articles or our website.

January and February proved to be a volatile start to the year due to the Fed’s decision to raise interest rates in December, China’s slowing growth, and a dramatic drop in oil prices. Many people panicked because stocks quickly went down about 10% – energy companies fell further still and over a longer period - yet once again patience paid off with March recovering most (as of this writing) of what stocks had lost. Oil prices are moderating now, the Fed delayed its planned March rate increase and the job market continues to improve, giving consumers confidence to spend. Consumer spending is about 70% of the economy; greater confidence, more spending.

Social Security File & Suspend Deadline

If you are at least age 66 as of April 29, 2016 and plan to file for your own benefits and suspend them to allow a spouse to file for spousal benefits only, you must file and suspend by April 29th. After that date this option is no longer available.

A spouse claiming a “spousal benefit only” must have been age 62 as of December 31, 2015 in order to qualify for this option. Anyone born after 1953 is no longer eligible for claiming only a spousal benefit while allowing their own benefit to continue to grow. For the many married

couples who were planning to use these strategies but no longer qualify, these changes will cut thousands or tens of thousands of dollars of expected Social Security income.

Handy Tip

Randy Wickstrom of [Purple Purple Organizers](http://www.smead.com/Director.aspx?NodeId=1103) spoke to the Women in Business group with the Lindenhurst/Lake Villa Chamber of Commerce about the business and personal benefits of being organized. It was a motivational talk and in a follow up with Mr. Wickstrom he shared this site <http://www.smead.com/Director.aspx?NodeId=1103> to help estimate the cost of being disorganized. It’s especially helpful for employers to see how much it could cost in lost wages if employees lose, say 15 or 30 minutes a day searching for items, documents, etc. But it also sheds light on personal time lost...have you ever bought something you knew you already had but could not find it when you needed it?

Dear Mary,

We frequently hear about data breaches and ways to try to minimize the damage. We try to be vigilant by monitoring our statements and credit scores. Recently our daughter’s grade school sent a notice that the school had a breach – since she is too young for a credit card, is there anything to worry about? Credible Mom

Unfortunately, yes, cyberthieves may hack into schools or toy or game companies that have your child’s private information such as birthdate and social security number. With a name and SS# a thief can initiate credit with a fake birthdate and you probably wouldn’t know until she applies for credit years later. Be proactive and contact the credit reporting agencies once a year to see if a credit report exists. Transunion has an online form to submit such inquiries. Initiate credit monitoring, which is often provided at no charge, for your child if she has been affected by a breach.

Estate Planning: Executor Considerations

As an executor or trustee of a loved one's final affairs, there may be a significant number of issues to tackle, from emotional to financial and legal. Having a framework to start with will help to smooth the process. Please note that we are not attorneys and do not provide legal advice. These comments are food-for-thought:

Do:

- work with professionals such as attorneys, accountants, and financial planners
- before taking action to disperse assets, understand the priority of items to be paid such as taxes and outstanding bills
- maintain homeowner's insurance until the house is sold

Don't:

- take too long in settling the estate; know what the deadlines are
- play the market with the estate's assets
- disregard items in the will; if something looks amiss get professional guidance

We have seen situations, as you may have, where families are torn apart after a death, often due to things that, in the scheme of things, have relatively minimal financial consequences. Emotions run high at such times especially after the second parent's death. Having your wishes well documented and having conversations with your executor and loved ones about what you want will make a big difference in how your family maintains or breaks ties after your estate is settled.

Hints: a gentle way to bring up estate planning with a parent is to talk about a friend's situation: i.e. my friend Beth's mother told her she had a trust created and made Beth the trustee. Beth doesn't know what that entails, but she's starting to do some research. It has me thinking about Jim & I doing our own wills - do you have any suggestions or an attorney you can refer me to? These conversations are generally easier when taken in small doses and, if possible, when the other person is healthy.

We know that your time is valuable. If you do not want to receive newsletters in the future, please let us know. We will promptly remove you from our newsletter mailing list.

***“There is only one kind of shock worse than the totally unexpected:
the expected for which one has refused to prepare.”***

Mary Renault

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