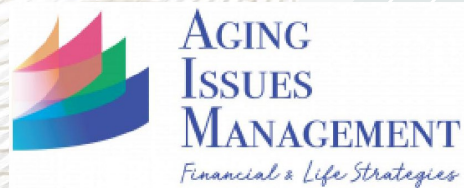


FINANCIAL FITNESS FOR SENIORS

Presented by: Joe Soricelli AIFA,
Partner, Aging Issues Management.



Agenda



Introduction – Joe Soricelli, Plan Consultant/Financial Advisor

Organize and Manage Daily Finances

Budgeting

Financial Literacy “Trust Me”

Internet Navigation

Scams “I Care A Lot”

Who Do You Call ?



Credentials.

- Over 35 years of Insurance, Investment and Planning experience.
- Professional Designations
- Registered Representative and Investment Advisor since 1985
- Experienced in all market conditions
- Developed a “Stages of Life Approach to Planning”
- Continually educating himself self to *Meet* and *Manage* the needs of his clients



Personal Monthly Budget



MONTHLY INCOME 1	Income 1	
	Extra income	
	Total monthly income	

MONTHLY INCOME 2	Income 2	
	Extra income	
	Total monthly income	

HOUSING	Cost
Mortgage or rent	
Phone	
Electricity	
Gas	
Water and sewer	
Cable	
Waste removal	
Maintenance or repairs	
Supplies	
Other	
Other	
Subtotals	

TRANSPORTATION	Cost
Vehicle payment	
Bus/taxi fare	
Insurance	
Licensing	
Fuel	
Maintenance	
Other	
Other	
Subtotals	

INSURANCE	Cost
Home	
Health	
Life	
Other	
Other	
Subtotals	

FOOD	Cost
Groceries	
Dining out	
Other	
Other	
Subtotals	

PETS	Cost
Food	
Medical	
Grooming/Toys	
Other	
Other	
Subtotals	

PERSONAL CARE	Cost
Medical	
Hair/nails	
Clothing	
Dry cleaning	
Health club	
Organization dues or fees	
Other	
Other	
Subtotals	

ENTERTAINMENT	Cost
Video/DVD	
CDs	
Movies	
Concerts	
Sporting events	
Live theater	
Other	
Other	
Subtotals	

LOANS	Cost
Personal	
Student	
Credit card	
Credit card	
Credit card	
Other	
Other	
Subtotals	

TAXES	Cost
Federal	
State	
Local	
Other	
Other	
Subtotals	

SAVINGS OR INVESTMENTS	Cost
Retirement account	
Investment account	
Other	
Other	
Subtotals	

GIFTS AND DONATIONS	Cost
Charity 1	
Charity 2	
Charity 3	
Other	
Other	
Subtotals	

LEGAL	Cost
Attorney	
Payments on lien or judgment	
Other	
Other	
Subtotals	
TOTAL Cost	

The Basics of Investing

Mutual Funds

- Your money is pooled with those of many other investors
- Invest in a mix of stock, bond and cash investments
- Professionally managed
- Typical offering in most workplace retirement savings plans
- Offer diversification opportunities by investing in different industries, sectors, foreign geographies, market indexes and other categories
- Investment objective can match up with your investment strategy and goals, along with your risk tolerance and investment time horizon.



A Sensible Strategy: Asset Allocation

- § What is it?
- § Why is it important?
- § Diagnostic tools
- § Diversification
- § Choosing your investment mix

What is Asset Allocation?

It's the process of dividing your investment dollars into various types of investments

“Don't put all your eggs in one basket”

Why is it important?

- May help you pursue your investment goals
- May allow you to maximize return potential while managing risk

WHAT KIND OF INVESTOR ARE YOU?

Finding Your Balance

Creating an investment mix is how you decide to allocate, or divide, your assets or investment dollars. This guide introduces you to three basic ingredients of any investment mix, helps you understand your feelings about risk, and enables you to review a sample investment mix based on your personal investor profile.

When making your investment decisions, you should consider the three factors below:

- **Your risk tolerance** – the amount of risk you can accept in order to obtain the returns you want.
- **Your time horizon** – the amount of time your money remains invested.
- **Your investment goal** – the amount of money you need to save to make your retirement dream a reality.

The risk tolerance quiz that follows helps you gain a general understanding of your feelings about risk. By determining your risk tolerance level, and considering how long you have to invest, you can begin to create your own personal investment mix.

Answer the following questions:

1. **How many years do you have until retirement?**
 - a. Less than five. (1 point)
 - b. Five to ten. (2 points)
 - c. More than ten. (3 points)
2. **When it comes to making investment decisions, which of the following best describes you?**
 - a. Not very knowledgeable. (1 point)
 - b. Very knowledgeable. (3 points)
 - c. Somewhat knowledgeable. (2 points)
3. **Are you willing to take on more risk in exchange for potentially higher rates of return?**
 - a. Yes. (3 points)
 - b. No. (1 point)
 - c. Not sure. (2 points)
4. **When making investment decisions, which of the following best describes your philosophy?**
 - a. I worry about losing my money and lean toward having a more conservative investment mix. (1 point)
 - b. I would not hesitate to take on higher risk because I know it's the only way to achieve potentially higher returns. (3 points)
 - c. I believe in taking my time and investigating all my options before making a decision. (2 points)

5. **Which of the following best describes your current attitude toward investing for retirement?**
 - a. I would like the opportunity for my retirement savings to grow, but am only comfortable with a medium amount of risk. (2 points)
 - b. I tend to worry that the value of my retirement savings will go down. (1 point)
 - c. I would like the opportunity for my retirement savings to grow as much as possible, and am willing to take on higher risk for potentially higher returns. (3 points)

Total Your Points Here _____

SCORING SYSTEM

5 – 7: Conservative. You are an investor who seeks stability and safety for your money. Remember, not having enough money when you retire is a big risk too. Keep in mind your time horizon and the impact inflation can have on your investments.

8 – 9: Moderate. You want your money to grow but are more concerned about protecting it. You are cautious but may be willing to diversify to spread out some of your risk, depending on your time horizon.

10 – 11: Moderate Growth. You like to balance lower-risk investments with higher-risk investments. Evaluate your situation at least annually to make sure that this balance contains the right mix of lower-risk and higher-risk investments for your situation.

12 – 13 Growth. You want to increase your savings and are somewhat comfortable riding the ups and downs of the stock market in exchange for the possibility of higher returns over the long term.

14 – 15 Aggressive Growth. You want to maximize the long-term growth of your retirement savings. You are comfortable taking substantial investment risk in exchange for potentially higher returns. Evaluate your situation at least annually, and modify your investment strategy as your situation changes.

Based on your score, you are
a(n) _____ Investor.

(continued)

Choosing Your Investment Mix

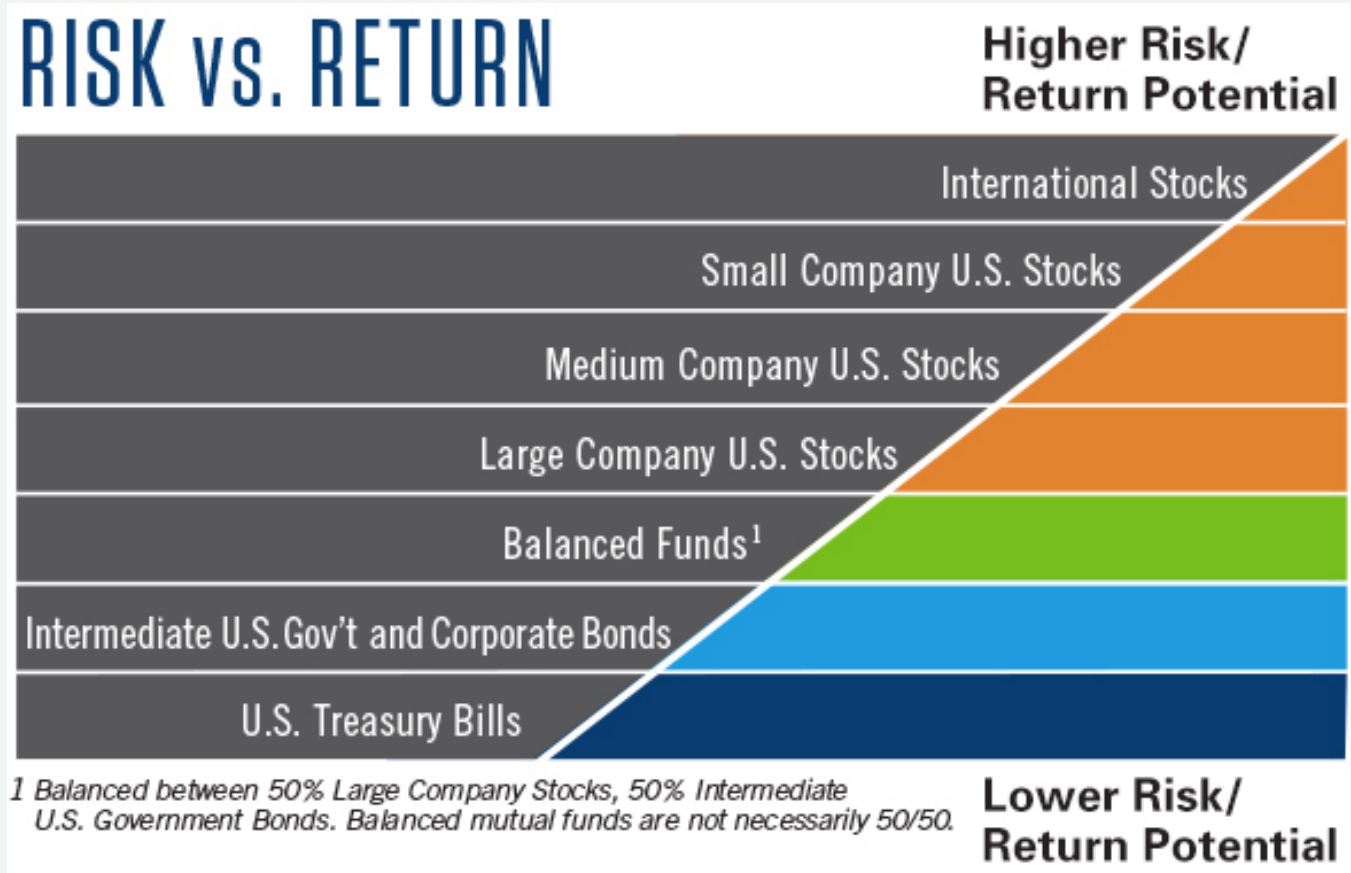
Things to consider:

How do you feel about market risk?

What's Your Goals?

What's your Time Horizon?

RISK vs. RETURN



**AGING
ISSUES
MANAGEMENT**
Financial & Life Strategies

Choosing Your Investment Mix

Things to consider:

How much will you need?

Many financial experts estimate that you will need between **75%–100%** of your preretirement income to maintain your standard of living when you quit working.

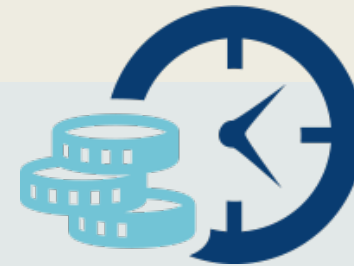


Choosing Your Investment Mix

Things to consider:

How long will my money last?

Living 20 years in retirement is a realistic expectation. A 65-year-old man can expect to live to **84**. A 65-year-old woman can expect to live to **86-1/2**.¹



¹ Source: U.S. Department of Health and Human Services, 2020..

Choosing Your Investment Mix

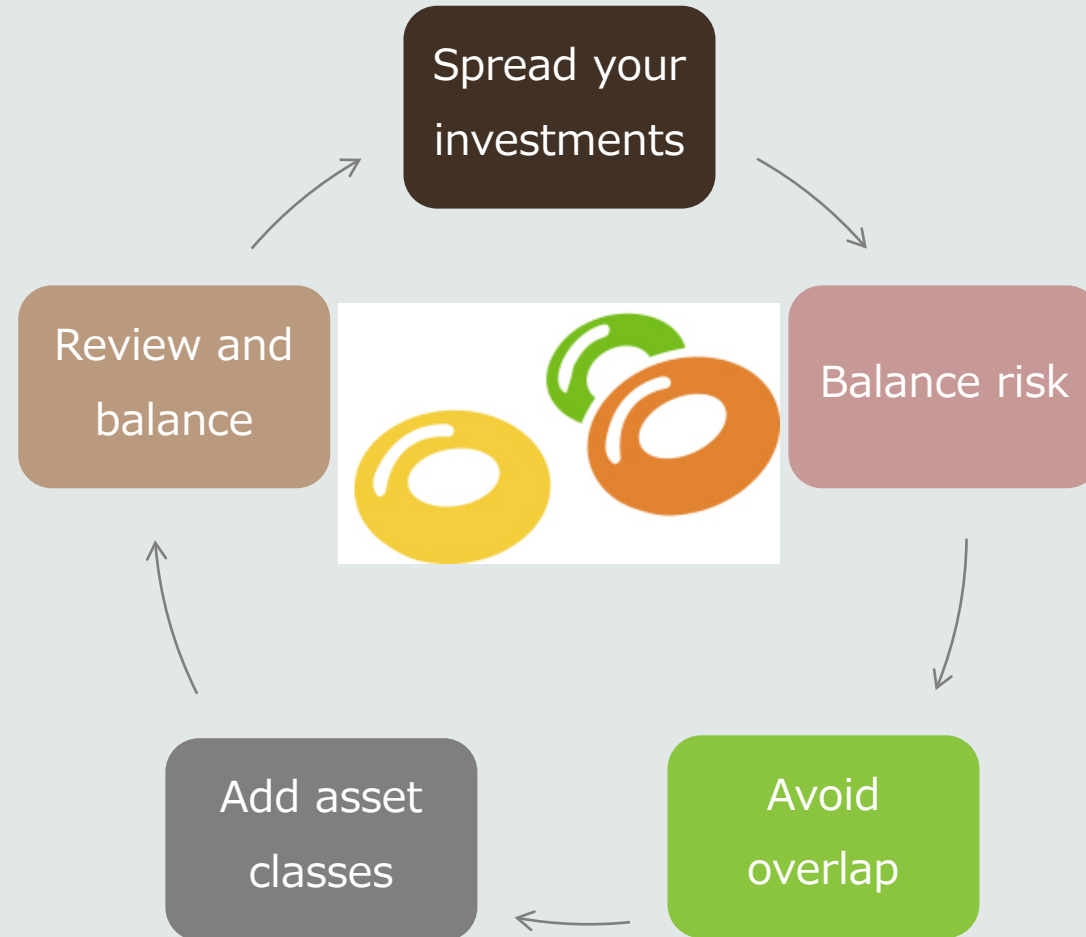
Things to consider: Inflation

INFLATION'S IMPACT			
Item	1990	2020	2050
Gallon of milk	\$2.78	\$3.35	\$8.13
Postage stamp	\$.25	\$.55	\$1.33
Cup of coffee	\$1.45	\$2.70	\$6.55
Gallon of gas	\$1.16	\$2.24	\$5.44
Movie ticket	\$4.23	\$13.00	\$31.55
Mid-priced car	\$16,950	\$33,000	\$80,100

Sources: 1990 prices are based on Kmotion Research. 2020 prices are based on general averages. Projections for 2050 prices assume a 3% annual inflation rate.

The Goals of Diversification

It's a Process



What Type of Investor Are You?

“Do it Myself” Investor	“Do it For Me” Investor
<ul style="list-style-type: none">• Mix and match from your plan’s investments according to the criteria you’ve set for yourself• A lifecycle fund can align with your level of comfort with risk, from conservative to aggressive• Target date fund: a fund that invests according to and through a specific target date, such as your retirement	<ul style="list-style-type: none">• For specified annual cost, assign the management of your account to a professional investment manager, who will select the funds for your account and manage your asset allocation for you

Let's Review

Volatility

- After every bear market since WWII, stocks have recovered, 25 months later (on average)
- When markets get choppy, it's human nature to become anxious and concerned
- Your response to volatility should be guided by your money needs, time horizon, feelings about market risk — and asset allocation

Asset Allocation

- A sensible strategy that divides your investment dollars among various investments
 - *Types of investments*
 - *Types of investment risks*
 - *Diversification*
- May help maximize return potential while managing risk
- May allow you to weather the market's ups and downs without rushing to make snap decisions
- "Do it Myself" or "Do it For Me" options

Let's Review (Continued)

Asset Allocation

- Model portfolios
- Risk and return





REPORT PREPARED FOR

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by Joe Soricelli
LPL

Generated on 03/16/2021

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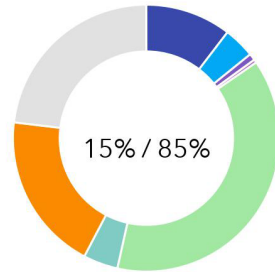
212-490-4580

joseph.soricelli@lpl.com

Asset Allocation

Current allocation

All Accounts



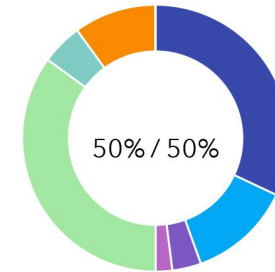
10.4%	● U.S. Equities	32%
3.8%	● International Equities	12.5%
0.8%	● Emerging Markets	3.5%
0.4%	● Real Estate	2%
38.1%	● U.S. Bonds	35%
4.2%	● International Bonds	5%
19.2%	● Cash	10%
23.1%	● Other	0%

Equity / Fixed Income

Annual return: 6.5%
Standard deviation: 5.2%

Target allocation

Balanced



32%	● U.S. Equities	10.4%
12.5%	● International Equities	3.8%
3.5%	● Emerging Markets	0.8%
2%	● Real Estate	0.4%
35%	● U.S. Bonds	38.1%
5%	● International Bonds	4.2%
10%	● Cash	19.2%
0%	● Other	23.1%

Equity / Fixed Income

Annual return: 7.4%
Standard deviation: 8.8%

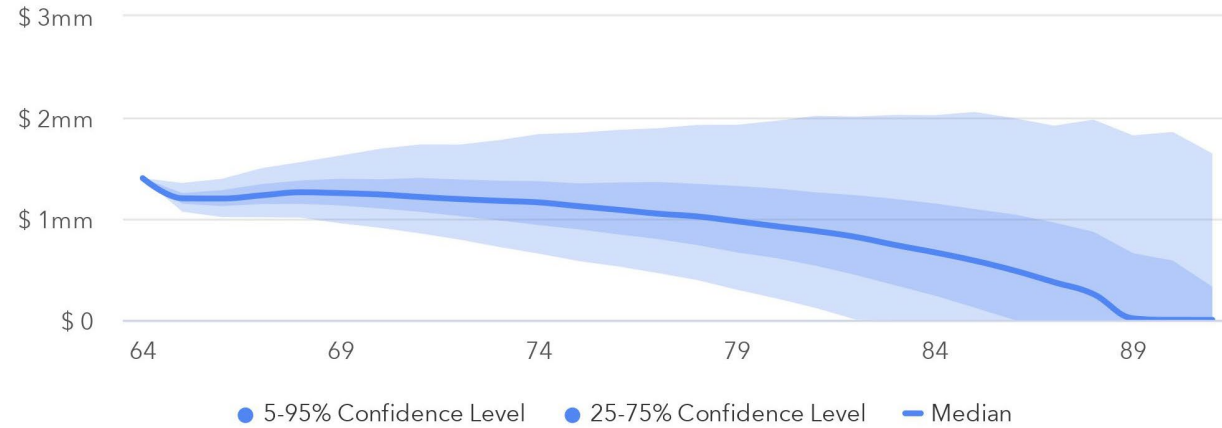
To balance back to your target portfolio:

U.S. Equities	Buy	\$ 280,800	U.S. Bonds	Sell	\$ 40,300
International Equities	Buy	\$ 113,100	International Bonds	Buy	\$ 10,400
Emerging Markets	Buy	\$ 35,100	Cash	Sell	\$ 119,600
Real Estate	Buy	\$ 20,800	Other	Sell	\$ 300,300

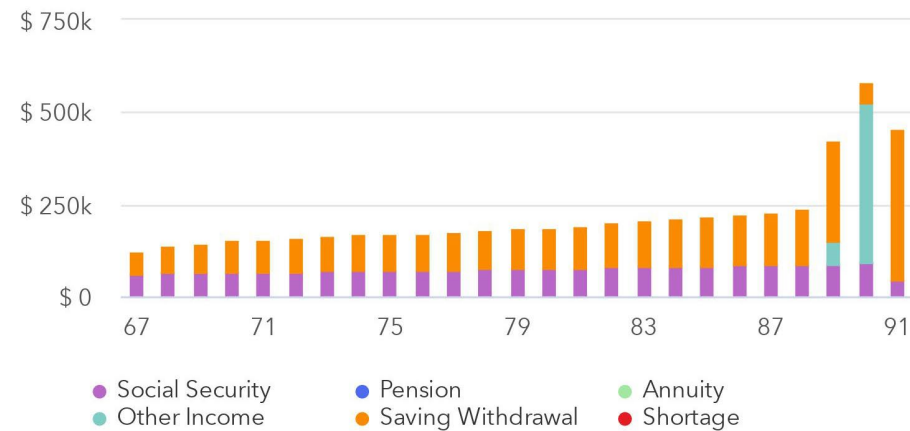
This page shows a need to increase or decrease the amounts currently represented in these asset classes of the current portfolio.

Retirement Analysis Details - Proposed plan

Asset simulation results



Retirement income



\$ 0
income shortage
44.9%
income is stable

Cash Flows - Proposed Plan



Summary

Year	Age	Cash Inflows				Cash Outflows					Spend Unserved Cash Flows	Net Flows
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment	Planned Saving	Total Outflows		
2021	65/64	225,000	0	0	225,000	141,832	300,000	129,405	18,000	589,237	0	(364,237)
2022	66/65	256,962	0	0	256,962	139,075	0	64,352	18,540	221,967	34,995	0
2023	67/66	64,572	0	0	64,572	123,312	0	744	0	124,056	0	(59,484)
2024	68/67	66,935	0	0	66,935	126,385	0	9,925	0	136,309	0	(69,375)
2025	69/68	67,938	0	0	67,938	129,550	0	12,981	0	142,531	0	(74,593)
2026	70/69	68,958	0	0	68,958	132,811	0	17,961	0	150,773	0	(81,815)
2027	71/70	69,992	0	0	69,992	136,171	0	18,472	0	154,644	0	(84,652)
2028	72/71	71,042	46,924	0	117,966	139,634	0	18,980	0	158,613	0	(40,647)
2029	73/72	72,108	48,372	0	120,480	143,202	0	19,516	0	162,718	0	(42,238)
2030	74/73	73,190	49,988	0	123,177	146,879	0	20,074	0	166,953	0	(43,776)
2031	75/74	74,287	51,377	0	125,663	150,669	0	20,652	0	171,322	0	(45,658)
2032	76/75	75,401	52,705	0	128,106	148,577	0	19,252	0	167,829	0	(39,723)
2033	77/76	76,532	54,060	0	130,592	152,605	0	19,875	0	172,480	0	(41,889)
2034	78/77	77,680	55,574	0	133,253	156,758	0	20,524	0	177,282	0	(44,029)
2035	79/78	78,846	56,994	0	135,840	161,041	0	21,196	0	182,238	0	(46,398)
2036	80/79	80,029	58,290	0	138,319	165,458	0	21,924	0	187,382	0	(49,063)
2037	81/80	81,229	59,110	0	140,339	170,014	0	22,727	0	192,741	0	(52,402)
2038	82/81	82,447	59,993	0	142,441	174,713	0	23,562	0	198,275	0	(55,834)
2039	83/82	83,683	60,242	0	143,925	179,561	0	24,430	0	203,991	0	(60,065)
2040	84/83	84,940	60,440	0	145,379	184,563	0	25,332	0	209,895	0	(64,515)
2041	85/84	86,213	59,782	0	145,995	189,724	0	26,270	0	215,994	0	(69,999)
2042	86/85	87,507	58,486	0	145,992	195,050	0	27,245	0	222,296	0	(76,303)
2043	87/86	88,819	56,393	0	145,212	200,548	0	28,260	0	228,807	0	(83,595)
2044	88/87	90,151	52,915	0	143,066	206,222	0	29,331	0	235,554	0	(92,488)
2045	89/88	91,504	48,582	62,500	202,586	385,488	0	38,260	0	423,748	0	(221,162)
2046	90/89	92,876	32,603	437,500	562,979	582,285	0	0	0	582,285	0	(19,306)
2047	91/90	49,303	30,470	0	79,773	391,233	0	65,528	0	456,761	0	(376,988)

Medicare Coverage

It is important to select the Medicare options that meet your needs and enroll in Medicare on time. Delayed enrollment can result in penalties and coverage gaps.

Coverage Analysis

Description	Coverage
Hospital Insurance	✔ Covered in Medicare Part A
Medical insurance	✔ Covered in Medicare Part B
Prescription drug	✔ Covered in Medicare Part D
Dental, vision and hearing	✘ Not covered
Long term Care	✘ Not covered

Proposed option
**Original Medicare, Part
A, B, D**

What is Medicare Part C?

A Medicare Advantage Plan (like an HMO or PPO) is another Medicare health plan choice you may have as part of Medicare. Medicare Advantage Plans, sometimes called “Part C” or “MA Plans,” are offered by private companies approved by Medicare.

If you join a Medicare Advantage Plan, the plan will provide all of your Part A (Hospital Insurance) and Part B (Medical Insurance) coverage. Medicare Advantage Plans may offer extra coverage, such as vision, hearing, dental, and/or health and wellness programs. Most include Medicare prescription drug coverage (Part D).

Medicare pays a fixed amount for your care every month to the companies offering Medicare Advantage Plans. These companies must follow rules set by Medicare. However, each Medicare Advantage Plan can charge different out-of-pocket costs and have different rules for how you get services (like whether you need a referral to see a specialist or if you have to go to only doctors, facilities, or suppliers that belong to the plan for non-emergency or non-urgent care). These rules can change each year.



How to Protect Your Financial Accounts From Cyber Thieves

What is an Account Takeover

In an **account takeover**, your username, log-on information and the mobile number associated with your account are manipulated or changed in a way that prevents you from accessing your account.

Account Takeovers in the U.S.

Year	2019	2018	2017	2016	2015	2014
Estimated number of victims	4.4 million	3.6 million	4 million	1.4 million	1 million	1.6 million
Estimated losses, adjusted for inflation	\$6.8 million	\$4 million	\$5.1 million	\$2.4 million	\$1.5 million	\$3.9 million

Source: Javelin Strategy & Research

Tips to Prevent Cyber Breaches

1. Never give a stranger who contacts you remote access to your computer.
2. Consider a designated tablet for finances and online banking.
3. Set up different, complex passwords not just for your financial accounts but for every online account.
4. Add two-step authentication to your passwords as an extra layer of security when logging into accounts.
5. Ensure that your antivirus and anti-malware software is up to date.
6. Perform software updates as they become available for your computer, laptop, tablet, and mobile devices.
7. Contact your bank, credit card company, and investment firm to ask what additional security measures they recommend for digital accounts. This includes fraud alerts and dollar limit transactions.



Estate Checklist



To protect and control the financial future of your family and loved ones, keep track of your progress on creating important estate checklist documents.

Important estate checklist tasks

	Robert	Bernadette
Will		
Document created		
Power of Attorney		
Document created		
Living Will		
Document created		
Health Care Proxy		
Document created		
Beneficiary Designations		
Created and reviewed		
Living Trust		
Document created		



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www.seniorlawday.info.

- Register for one of our bi-weekly webinars
- Take advantage of webinar recordings, presentations and other resources on the site
- “Ask Us” button for inquiries

Note: Live events will resume at the direction of state/local governments



Contact

Aging Issues Management

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More About Joe

Joseph L. Soricelli “Joe” is a Partner and Senior Consultant with F2 Partners.

Family values and family security are what matter most to Joe and this is exhibited in the way he approaches his client’s. Giving advice that will make client’s life’s better now and in the future is his goal. A favorite phrase is “You can’t change history but you can plan for the future.” He looks for the positives and focuses on solutions not problems in our complicated life’s. He takes the stress out of the issues and decisions client’s face through clear two-way communication. He enjoys life and competition, from playing Santa during Christmas to lowering his handicap on the Golf Course.

Joe spends much of his time in the community giving educational presentations about a wide- array of Aging Issues that we all will face at some point for ourselves or our loved ones. This is done through the “Aging Issues Info” Not For Profit which he is a founding Board Member. The goal is to educate seniors and their families taking the stress out of decisions on Medicare, Medicaid, Long-Term Care, Housing, Estate Planning, Income Planning, Asset Protection, and Fraud Prevention. This is all done from his years of both personal and professional experiences in conjunction with other professionals in each field.

Joe and Paula, his wife of 39 years, reside in Valhalla NY and have three grown children. Joe has received many awards over his 35 - year career. He is active in his church, Lions Club, the Alzheimer’s Association, as well as The Westchester Parks Foundation. He serves his hometown as a zoning board member and assists in stage productions at his local high school and community theater.

Credentials.

- Over 35 years of Insurance, Investment and Planning experience.
- Professional Designations
- Registered Representative and Investment Advisor since 1985
- Experienced in all market conditions
- Developed a “Stages of Life Approach to Planning”
- Continually educating himself self to *Meet* and *Manage* the needs of his clients