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DO I NEED A TRUST?



By Kristin Rognerud

This is one of the most common questions we hear regarding estate planning. Whether your estate plan would benefit from a trust depends on many factors which should be considered on an individual basis and discussed with an attorney. A few of the biggest reasons people may choose to use a trust in estate planning are:

- 1) **Avoiding probate.** Unlike a will, a trust is not subject to the probate process, which allows the terms of the trust to remain private. This can also be accomplished without a trust in some cases by using a "Transfer on Death" or "Payable on Death" beneficiary designation.
- 2) **Controlling the distribution of assets for an extended period after death.** While a will can dictate how your assets are distributed upon death, it really cannot instruct for distribution over an extended period of

time. For example, if you have children or grandchildren who you would like to benefit from the trust, but not until they are a certain age, this can be directed by a trust.

- 3) **Reducing or eliminating estate taxes.** The current federal estate tax exemption of \$5.45 million (2016) per person reduces the need for many people to have a trust with regard to federal tax, however, each state has its own exemption amount which may necessitate further planning to avoid paying state estate tax. The 2016 exemption limit for Minnesota is \$1.6 million per person, and Wisconsin does not have an estate tax at this time.

A trust can be a valuable tool in estate planning, and should be evaluated for benefit with regard to each unique situation and compared with other options.



Kristin Rognerud
Financial Advisor

DID YOU KNOW?

88% of Americans at least age 65 received a monthly Social Security benefit payment during fiscal year 2015 (source: Social Security Administration). Social Security retirement benefits represent at least 90% of the income for 28% of U.S. seniors. For 65% of U.S. seniors, at least 50% of their income is from Social Security (source: Joint Economic Committee).

HOW MUCH MONEY DO I NEED TO RETIRE?



Brad Christiansen
Financial Advisor

By Brad Christiansen

We're often asked this question. There is no magic number and everyone has very different goals. So how do we know?

Over the years, we've learned a lot from our clients. We know that our clients' spending during working years provides a good basis for understanding how much income they will need in retirement. Also, understanding what is important for each client is critical. For example; some clients plan for income into their 90s, while others prefer to spend more in the first 20 years of retirement. Some clients want to buy a vacation home while other want to downsize. Some are worried about health issues and want to have financial protection against an unplanned event. All of these factors (and many more) can drive the amount of income needed to be comfortable in retirement. Retirement income typically comes from multiple sources including social security, pensions, and investments. It's a very personal number we help our clients identify. We've found that our clients who end up with the most financial

confidence in retirement often have worked to identify the following things at some point prior to or early in retirement:

- An awareness of their current income and expenses.
- Some ideas about how they'd like to spend their time when they are no longer working.
- How long they want to plan for

Each of these topics alone can be fairly simple, but combining them into a comprehensive plan that may span out for several decades requires robust tools and the help of an experienced financial professional.

So how do I get there from here?

- 1) **Identify your current expenses.** This can be easier than it sounds. Start by pulling the last 12 months of bank statements and adding up all withdrawals to get a sense of current expenses.
- 2) **Start thinking about the future.** Be intentional. What and who do you care about? How would you be spending your first day of retirement? How would you spend day 1,000? What do you want to experience, and what do you want to accomplish?
- 3) **Let us help.** All this may seem overwhelming unless you have the right tools to analyze how much income your savings are projected to provide you over your lifetime. We use financial planning tools to aggregate all the issues that are important to you and to stress test these spending plans against many possible outcomes.

**"SOMEONE IS SITTING IN THE SHADE TODAY BECAUSE
SOMEONE PLANTED A TREE A LONG TIME AGO."**

WARREN BUFFETT

MEET DAN



Daniel Maki
Client Services Manager

How long have you been with the Ascential Wealth Advisors?

I joined Ascential Wealth Advisors in March, 2015. Working with the team helping to serve our clients has been a great experience.

Where were you before joining the firm?

Prior to joining Ascential Wealth Advisors I worked for two asset managers in Minneapolis, and was involved with the trading and operations functions of each firm. We traded a variety of traditional and non-traditional securities in markets across the globe using many different investment strategies.

What is your biggest passion about the industry?

The wealth management industry offers a unique opportunity to help people navigate major life decisions such as retirement and legacy planning. We help our clients identify and reach goals, and serve as an anchor for advice. Being part of this process makes me feel like I contribute to the greater good of the families and communities we serve.

What do you like to do outside of the firm?

I love to spend time outside with my family and at our family cabin on Lake Vermilion. Fishing has also been a life-long passion of mine. Whether it be teaching my kids to fish off a dock for panfish, wading in rivers for steelhead on Minnesota's North Shore, or pursuing muskies in the late fall, I value every moment on the water.

DID YOU KNOW?

Retirees can increase their monthly social security by delaying their claim. Waiting from age 62 to age 67 increases the benefit by 44% (Source: Age of Reason; October 19, 2009)



Lori Spilde
Client Services Manager

SIMPLE, EASY E-SIGNATURE

This past year Raymond James partnered with DocuSign Inc., a leading provider of Digital Transaction Management, to give clients an option to sign forms electronically. This new relationship offers you a simple, fast, and secure option to sign documents from any location without the need for paper forms and mailing. All that is needed is

access to email and a cell phone enabled with text messaging. We are excited about this new option to sign documents and encourage you to try this service. However, paper forms are still available for physical signatures. If you want to learn more please call me, Lori Spilde with any questions.

WHAT'S IN A NAME?



We believe that collaboration is the key to creating effective financial solutions for our clients.

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The name “Ascential” combines two words – ascent, defined as upward movement or advancement, and essential, meaning necessary or indispensable.

The rationale behind our name is that we strive to be indispensable advisors in our clients’ advancement toward their financial goals – through our prudent guidance, years of experience and daily dedication.

The roots of our business go back 35 years.

Prior to starting Ascential Wealth, our team was Lake Superior Wealth Management Group at Piper Jaffray, which was acquired by UBS

Financial Services Inc. in 2006. In September 2011, our group chose to start an independent practice with Raymond James Financial Services, Inc. as our custodian.

We believe that collaboration is the key to creating effective financial solutions for our clients.

It’s why we work as a team to develop investment strategies and manage client portfolios. It allows us to offer the cumulative benefits of our diverse backgrounds and educational experience. Our conversations revolve around helping you understand where you are today financially and, most important, what is the most prudent course of action to take for where you want to be.

DISCLOSURES

This material is being provided for information purposes only and is not a complete description, nor is it a recommendation. Any opinions are those of Ascential Wealth Advisors and not necessarily those of Raymond James. The information has been obtained from sources considered to be reliable, but Raymond James does not guarantee that the foregoing material is accurate or complete. Please note, changes in tax laws may occur at any time and could have a substantial impact upon each person’s situation. While we are familiar with the tax provisions of the issues presented herein, as Financial Advisors of RJFS, we are not qualified to render advice on tax or legal matters. You should discuss tax or legal matters with the appropriate professional. Investing involves risk and investors may incur a profit or a loss regardless of strategy selected. Prior to making an investment decision, please consult with your financial advisor about your individual situation.



GET THERE FROM HERE

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