



Heling Associates Inc.
 Bruce R. Heling, CFP(R) CPA
 President
 8106 Flagstone Drive
 Madison, WI 53719-4662
 262-893-9955
 bheling@helingassociates.com
 http://HelingAssociates.com

Welcome to September. For those in South Central Wisconsin, September brings hope of relief from the monsoons. For others, it brings the anticipation of autumn's cooler temperatures and beautiful colors. In our nation's capital, September means that mid-term elections are only two months away and the race for control of Congress is heating up, even as the questions about those in and surrounding the administration continue to grow and get even more serious. The financial markets are, so far, shrugging it all off. We remain watchful of market developments but have not changed positions in August.

Kate and I will be in Europe for a couple of weeks in September on a Danube river cruise, with extensions on both ends in, respectively, Prague and Budapest. It will be the last vacation of my professional life, as the enclosed letter explains. I'll be less accessible than usual from September 12 - 25. Have a great month!

Bruce Heling, CFP CPA
 August 30, 2018

September 2018

The Financial Implications of a Chronic Illness

Infographic: Working in Retirement
 Should I cut the cord on cable?

How can I save money on my cell phone plan?



The Personal Planner

Planning Tips for Today and the Rest of Your Life

Buying and Selling: Trading Basics



The New York Stock Exchange Group averaged more than 5.7 million trades per day in 2017, with an average of almost 1.5 billion shares changing hands.¹ Many of these trades are more complex than

most investors need to consider, but it may be helpful to understand some basic terms and types of trades.

Bid and ask — The bid price is the maximum a buyer is willing to pay for a security. The ask price is the minimum a seller is willing to accept. The difference between them, called the spread, may be as low as a penny for the stock of a large well-known company, but wider for a smaller, more obscure company.

Market order — An order to buy or sell a security immediately at the best available price (though there is no price guarantee). A market order generally will execute at or near the current bid price for a sell order, or the ask price for a buy order. However, the last-traded price, typically the price you see listed on an exchange, is not necessarily the price at which a market order will be executed.

The following order types do not guarantee that the trade will be executed. They typically allow the investor to set a time limit that may range from a day to a year.

Limit order — An order to buy or sell a security at a specific price or better. For example, if an investor wants to purchase shares of XYZ stock for no more than \$10 per share, the investor could submit a buy limit order for \$10 and the order will execute only if the price of XYZ stock is \$10 or lower. If the investor wants to sell at a price of at least \$20 per share, a sell limit order for \$20 would execute only at a price of \$20 or higher.

Stop order (or stop-loss order) — An order to buy or sell a security once the price reaches a specified level, known as the stop price. Investors generally use a sell stop order to limit a loss or protect a profit on a stock they own.

For example, if you own shares of XYZ security that are currently trading at \$50 per share, and are concerned about holding the shares in a declining market, you could set a stop-loss order at \$48 per share. If the share price declines to \$48, your shares would sell at the next market price, which would typically be a little below \$48 if the market decline is gradual. However, if trading is interrupted or there are large changes overnight, you could end up selling at a lower price than anticipated.

Stop-limit order — An order to buy or sell a security once the price reaches the stop price, as long as the trading price is at a specified limit price or better. This helps protect against the possibility of a stop order triggering a trade at an unwanted price. To use the example above, you could set a stop price for XYZ shares at \$48 per share and a limit at \$47 a share. The order would execute when the share price falls to \$48 but only as long as it remains above \$47.

All investments are subject to market fluctuation, risk, and loss of principal. When sold, investments may be worth more or less than their original cost.

¹ New York Stock Exchange, 2017

The Financial Implications of a Chronic Illness



There's no such thing as a one-size-fits-all financial plan for someone with a chronic illness. Every condition is different, so your plan must be tailored to your needs and challenges, and reviewed periodically.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful.

The cost and availability of life insurance depend on factors such as age, health, and the type and amount of insurance purchased.

When you live with a chronic illness, you need to confront both the day-to-day and long-term financial implications of that illness. Talking openly about your health can be hard, but sharing your questions and challenges with those who can help you is extremely important, because recommendations can be better tailored to your needs. Every person with a chronic illness has unique issues, but here's a look at some topics you might need help with.

Money management

A budget is a useful tool for anyone, but it's especially valuable when you have a chronic illness, because it will serve as a foundation when planning for the future. Both your income and expenses may change if you're unable to work or your medical costs rise, and you may need to account for unique expenses related to your condition. Clearly seeing your overall financial picture can help you feel more in control.

Keeping good records is also important. For example, you may want to set up a system to help you track medical expenses and insurance claims. You may also want to prepare a list of instructions for others, such as a trusted friend or relative, that includes where to find important household and financial information in an emergency.

Another step you might want to take is simplifying your finances. For example, if you have numerous financial accounts, you could consolidate them to make it easier and quicker for you or a trusted advisor to manage. Setting up automatic bill payments or online banking can also help you keep your budget on track and ensure that you pay all bills on time.

Insurance

Reviewing your insurance coverage is essential. Read your health insurance policy and make sure you understand your copayments, deductibles, and the nuts and bolts of your coverage. In addition, find out if you have any disability coverage, and what terms and conditions apply.

You might assume that you can't purchase additional life insurance, but this isn't necessarily the case. It may depend on your condition or the type of life insurance you're seeking. Some policies will not require a medical exam or will offer guaranteed coverage. If you already have life insurance, find out if your policy includes accelerated (living) benefits. You'll also want to review beneficiary designations. If you're married, make sure that your spouse has adequate insurance coverage, too.

Investing

Having a chronic illness can affect your investment strategy. Your income, cash-flow requirements, and tolerance for risk may change, and your investment plan may need to be adjusted to account for both your short-term and long-term needs. You may need to keep more funds in a liquid account now (for example, to help meet day-to-day living expenses or use for home modifications, if necessary), and you'll want to thoroughly evaluate your long-term needs before making investment decisions. The course of your illness may be unpredictable, so your investment plan should remain flexible and be reviewed periodically.

Estate planning

You might think of estate planning only as something you do to get your affairs in order in the event of death, but estate planning tools can also help you manage your finances right now.

For example, a durable power of attorney can help protect your property in the event you become unable to handle financial matters. A durable power of attorney allows you to authorize someone else to act on your behalf, so he or she can do things like pay everyday expenses, collect benefits, watch over your investments, and file taxes.

A living trust (also known as a revocable or inter vivos trust) is a separate legal entity you create to own property, such as your home or investments. The trust is called a living trust because it's meant to function while you're alive. You control the property in the trust and, whenever you wish, can change the trust terms, transfer property in and out of the trust, or end the trust altogether. You name a co-trustee such as a financial institution or a loved one who can manage the assets if you're unable to do so. There are costs and ongoing expenses associated with the creation and maintenance of trusts.

You may want to have advance medical directives in place to let others know what medical treatment you would want, or that allow someone to make medical decisions for you, in the event you can't express your wishes yourself. Depending on what's allowed by your state, these directives may include a living will, a durable power of attorney for health care, and a Do Not Resuscitate order.

Review your plan regularly

As your health changes, your needs will change too. Make sure to regularly review and update your financial plan.

Infographic: Working in Retirement

Do You Plan to Work in Retirement?

The 2018 Retirement Confidence Survey found that more than two-thirds of all workers surveyed expect that paid work will play a role as a source of retirement income. If you believe that working for pay will supplement at least some of your retirement income, consider the following facts.

1



More people are working beyond age 65

According to the Bureau of Labor Statistics, 37% of men and 28% of women between the ages of 65 and 69 were still in the workforce in 2017. In addition, 17% of men and 10% of women age 70 and older were still working.

2



Social Security imposes an "earnings limit"

If you plan to work and claim Social Security benefits before reaching your full retirement age (66 to 67, depending on year and month of birth), you will be subject to an earnings limit (\$17,040 in 2018). Above that limit, \$1 will be withheld from your benefit for every \$2 earned. In the year you reach full retirement age, you will lose \$1 for every \$3 earned above a higher limit (\$45,360 in 2018). Once you reach full retirement age, there is no reduction in benefits.

3



Income for older workers is on the rise

According to the U.S. Census Bureau, the average earnings for workers age 65 and older increased by 47.6% between 2000 and 2015, a far greater increase than that of any other age group.

Heling Associates Inc.

Bruce R. Heling, CFP(R) CPA
President
8106 Flagstone Drive
Madison, WI 53719-4662
262-893-9955
bheling@helingassociates.com
http://HelingAssociates.com

Heling Associates, Inc. is a fee-only financial and investment advisory firm that has been providing financial planning, financial counseling, and portfolio management services since 1991. The firm is registered as an investment advisor with the Department of Financial Institutions of the State of Wisconsin. If you've been thinking about seeking help from an objective and professional financial advisor, we welcome your inquiry.

While every effort has been made to ensure that information and data presented in this publication is accurate, we cannot, in fact, assure such accuracy is achieved. While publications may, on occasion, mention specific securities and investment vehicles, readers are advised that such mention does not constitute an investment recommendation. You should only invest after consulting us or another professional financial advisor who can assist you in determining your goals, risk capacity, and risk tolerance.



Should I cut the cord on cable?

In the last few years, it's become common for consumers to ditch cable television in favor of streaming services and devices. Many

affordable streaming options are available, making it easier for consumers to give up cable without necessarily sacrificing their favorite shows. But there are some drawbacks to relying exclusively on streaming services for television viewing. Consider the following before you decide to cut the cord.

The most obvious benefit of cutting cable is the money you'll likely save each month. Compare what you spend on your monthly bill to how much of your cable subscription you actually use. Are you regularly watching all the channels you pay for, or do you watch only a few of them? Are the channels you watch worth what you pay each month? If not, it might make sense to cancel cable and switch to an alternative entertainment source.

You may decide to replace cable with a streaming service or device. In addition to being less expensive than cable, most services are user-friendly. You won't need to flip through hundreds of channels to find your favorite

shows, and as long as you have an Internet connection, you can view them on the go on your cell phone or tablet. Plus, streaming services typically let you stop and start month to month without termination fees.

But depending on your viewing preferences, a streaming service might not be the right option for you. There is often a delay in the online release of many television shows, which can be frustrating for dedicated viewers. And if you're a sports fan, you might be disappointed to learn that you won't have access to live sports coverage through most streaming services. Comprehensive sports packages are offered by some services, but they can be expensive and are not available in all regions.

Another disadvantage of switching to streaming is that you may need to subscribe to multiple packages or invest in special streaming devices to access the programs you want. You might also consider the cost of high-speed Internet — you won't be able to stream without a relatively fast Internet connection. Between multiple subscriptions and reliable Internet, the cost of streaming can add up quickly. Be sure to compare prices and take advantage of any free-trial offers.

How can I save money on my cell phone plan?



Paying your monthly cell phone bill might feel like a necessary evil: You can't live without your cell phone, but you don't like the steep price

of your plan. Fortunately, there are ways to save money on your plan without sacrificing the cell phone services you need.

Review your monthly bill. Aligning what you're paying for with what you're actually using can go a long way in saving money on your plan. Look at your bill to get a breakdown of your average data consumption, as well as the number of phone calls and text messages you send/receive in one month. This will help you determine whether your activity levels match your plan. If, for example, you're paying for unlimited data each month but use only five gigabytes, on average, then it might make sense to decrease the data limit on your plan. Or if you depend on unlimited data, consider ways in which you can lower the amount you use. Turn cellular data off in your app settings and connect to Wi-Fi whenever possible to dramatically reduce data usage.

Research discount options. Ask your employer or your cell phone service provider to

see if you're eligible for employee discounts. Members of the military, veterans, and senior citizens may also receive discounts, depending on the provider.

Sign up for a different plan. Most carriers offer plans that allow you to share data and minutes with others. These are often referred to as family plans, though you don't need to be related to someone in order to join your accounts. You might also consider prepaid cell phone plans, which generally don't require credit checks or contracts, and don't have data overage fees. Many types of prepaid plans are available on the market, so look at different ones to determine what works best for you.

Switch to an alternative carrier. Before you make the switch, though, indicate to your current provider that you want to cancel — you may be offered a deal for continuation of service. If not, keep in mind that many alternative carriers offer promotions exclusively to new customers. Make sure you know how long the promotion will last and what your monthly costs will be when it ends.