QUARTER 3, 2024

ORIGIN OF TICKER TAPE PARADES

Ticker tape was a thin strip of paper that displayed stock information. The first ticker tape parade occurred spontaneously on October 28,1886 to commemorate the dedication of the Statue of Liberty when Wall Street workers began throwing ticker tape out office windows in celebration.

TEAM UPDATE

Kyle spent some time on the lake this summer with two of his grandsons teaching them how to drive a boat. How long until they ask to borrow the keys?

Brayden's son Jayce just went on his first dove hunt. He worked valiantly at keeping quiet!

Vicki did a lot of camping this summer. Luckily Stanley loved being in the backpack carrier. Nora started PreK in August and Stanley turns one in September.

Greg and his wife Kelly spent a week in Sunriver and Bend, Oregon celebrating their 36th wedding anniversary.

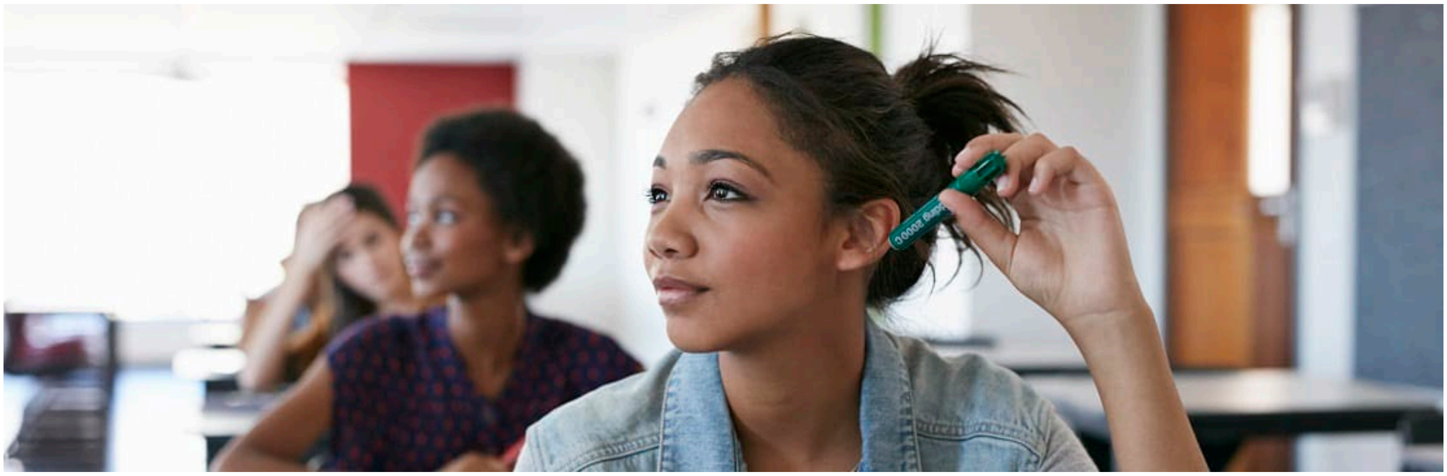
Brandee got some time in on the river. She's looking forward to hiking the Grand Canyon Rim-to-Rim at the end of September.

Kyle **Brayden** **Vicki** **Greg** **Brandee**





THE LASTING BENEFIT OF FINANCIAL LITERACY



KEY FINANCIAL LESSONS TO TEACH YOUR CHILDREN AS THEY GROW

Talking to kids about money can be awkward, but it's important. That's the takeaway from a recent T. Rowe Price survey, which showed that parents consider topics like death and politics easier to discuss with kids than saving for a goal. A full 85% wanted to avoid the issue by signing their kid up for a personal finance course.

Though a class might help – and your advisor can be a valuable teacher's aide – your kids are still taking their cues from you.

"Parents are the number one influence on their children's financial behaviors," Beth Kobliner, author of "Make Your Kid a Money Genius," told Forbes. "It's up to us to raise a generation of mindful consumers, investors, savers and givers."

Here we offer essential financial lessons to teach your kids at each age and stage.

AGES 3-6

Don't underestimate them – at 3, your kids can grasp basic financial concepts, and by age 7, they have already formed money habits, according to a Cambridge University study. Start with the basics, including the idea that you work to earn money in order to pay for what you want and need – and help your kids understand the difference.

Create a wants vs. needs collage: divide a sheet of paper in half and have your child cut and paste photos from magazines into the two categories.

Other money milestones mapped out by the experts at the Consumer Financial Protection Bureau include the ability to focus and persist through tasks. Saving for retirement takes large amounts of patience and self-control, so we might as well start teaching them early.

Recognizing tradeoffs is another important early milestone. Try thinking aloud when you're grocery shopping about the amount of money you're exchanging for a product, or have them help you compare the unit price of similar goods. Whether a trade involves money, treats or time, discuss with your child how every decision has consequences.

Around age 5, it's important to give kids some cash to manage. A regular allowance allows them to start thinking in terms of financial tradeoffs, and you can offer them a three-part piggy bank (save, spend and share) so they begin to understand the different functions of money.

By age 6, your child should be able to focus on completing small chores to earn money and understand the value of different coins and bills well enough to sort and count them.

AGES 7-12

As your child grows, help them develop values such as empathy and gratitude. Knowing that some families live in poverty and need assistance is part of financial literacy. Using a site like Dollar Street that shows photos of different families around the world living on a variety of incomes can help. So can letting your child have a say in where the family's charitable dollars will go.

It's also a good idea to pass down family stories to the next generation – how your parents pitched in to help you build your business, your first big purchase, or how spending habits helped you weather the ups and downs of life. These tales can help them understand their place in the world and develop perspective on what has value in life.

These years are also a good time to have your child open a bank account, which can help them claim the identity as a "saver" and associate positive emotions with it. You should also help them track what they are earning in interest. "There's nothing like receiving an interest payment (even if it is a few cents) in your name for the first time," Asheesh Advani, CEO of Junior Achievement Worldwide, told Inc. magazine.

AGES 13-18+

Credit cards, investing, taxes: As your child becomes a young adult, it's time to step up your game to help them with these complex topics and more. You can help them get started with the SIFMA Foundation's annual Stock Market Game simulation, let them take control of buying their school supplies on a budget, or help them calculate credit card interest.

Before your teen racks up any credit card debt of their own, consider adding them as an authorized user on your card. Show them that interest accrues unless the balance is paid off – and that any late payment hurts your credit score.

Talk about which data sources can be trusted. Share how you vet financial decisions, and urge your teen to keep digging if what they're being told doesn't add up. For example, if your child is researching colleges, encourage them to do research beyond reading a school's brochure.

Many successful people trace their money skills back to a formative moment: getting a job as a teen. There's no better way to experience firsthand the effect of taxes, having a boss, being part of a team and managing your time to fit in schoolwork. A seasonal job during school holidays or a part-time gig could help your teen better grasp the working world – and how they picture themselves in it.

Finally, come up with a savings plan for long-term goals, like a car or college tuition. You can use a budgeting app that helps them visualize their progress, keeps spending in check and gives them a sense of ownership and confidence in their future

START THE CONVERSATION

Whether your kid is seven or 17, they are ready to hear money talk from their parents and grandparents. After all, financial literacy is not just about dollars and cents. You're really showing them how to think for themselves, develop values and make sound decisions. In the space of a few teachable moments, you can empower them to take control of their future – a worthy investment.

Sources: T. Rowe Price 2019 Parents, Kids & Money Survey; Forbes; Inc. magazine; CNBC Millionaire Survey; U.S. Consumer Financial Protection Bureau; Sallie Mae's 2019 Majoring in Money report; mtmfec.org

WHAT TIME IS THE RIGHT TIME FOR RETIREMENT?

AGE MAY JUST BE A NUMBER, BUT WHEN IT COMES TO RETIREMENT, IT MATTERS.

Retirement is a time meant for enjoying life without the pressure of work. For some, that means rediscovering life with their partner. For others, it means room to dig deeper into a neglected hobby (or find a new one), or traveling to places in your own backyard or abroad. Maybe it's a little bit of all these things.

A recent survey by the Employee Benefit Research Institute found that only 11% of workers plan to retire before the age of 60. But with the right preparation, you can create a retirement plan that will provide you with financial resources and the freedom to pursue your passions, whether you flip the switch at 65, 60 or sooner.

PREPARE FINANCIALLY

Meeting with your financial advisor can help you evaluate your situation and create a plan for managing your assets and liabilities. Your advisor can also help you understand your income sources in retirement – such as Social Security, pensions or investments – and help ensure you're on track to meet your retirement goals.

Getting clear on the kind of retirement you want, helps create the groundwork for getting a financial plan that's aligned with your end goal. Do you envision traveling, pursuing hobbies or spending time with family? What kind of lifestyle do you want to maintain? If you plan to travel extensively or pursue expensive hobbies for example, you may need to save more than someone who plans to live a more modest lifestyle.

GEAR UP EMOTIONALLY

Not only does assessing your retirement readiness involve evaluating your financial situation, but also it requires an honest assessment of your emotional readiness to leave the workforce.

Retirement can be an emotional time, particularly for those who have spent their entire lives focused on their career or building a business. It's important to think about how you'll adjust to find fulfillment and fill your time in retirement. Will you miss the social interaction and sense of purpose that comes with work? What activities will you pursue?

FIND A SENSE OF PURPOSE

One of the keys to redefining retirement is to approach it with a sense of purpose. Retirement provides the freedom to explore new interests, take risks and make a difference in the world. Especially if you're retiring early, there's more opportunity and more time to try new things. By focusing on what matters most to you, you can create a retirement that's fulfilling and meaningful – which is important for overall happiness and well-being.

PRIORITIZE YOUR WELL-BEING

Being proactive with your health through regular exercise, wise eating habits and getting enough sleep can help prevent the need for costly medical interventions down the road and help ensure you get the most out of your retirement. Retiring early if your situation allows may also give you more time to work with your healthcare providers to create a plan to improve or maintain your health.

While physical health is important, finding a creative outlet can help you support your mental health as well. Consider activities that you don't have as much time or energy for while working full-time. What do you wish you could do during your day?

PLAN FOR HEALTHCARE COSTS

Once you reach the age of 65, Medicare becomes available to you. But if you retire sooner, healthcare insurance to tide you over to 65 can be quite expensive. Healthcare options for early retirees include COBRA, government health insurance marketplace plans, private policies and keeping some form of employment that offers health insurance. There are also services which can assist with finding a health insurance plan that is right for you. Each option comes with its own costs and benefits, so it's essential to weigh your options carefully. For example, if you opt for a private policy, you may have more from which to choose, but the costs can be high.

It's also important to consider the potential healthcare costs or insurance options associated with caring for an ill spouse or adult children.

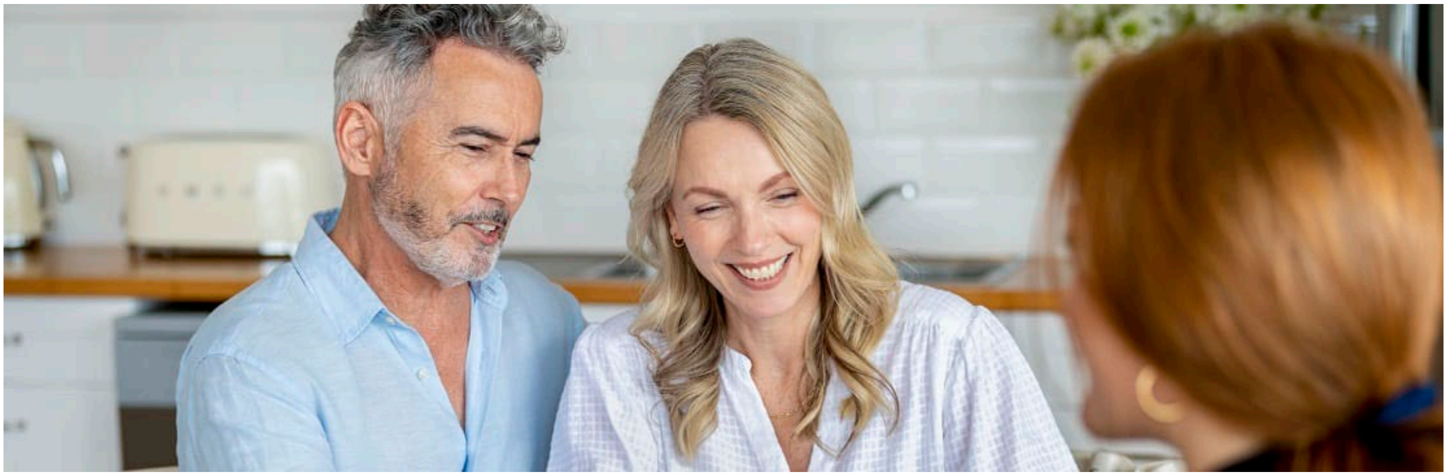
ENJOY A GOLDEN OPPORTUNITY

By taking the time to rediscover yourself, assess your situation and plan accordingly, you can retire on your own terms whether you're at retirement age or not – and feel confident doing so.

When we retire from work, we don't retire from life – we're simply moving on to another phase. One with opportunities to redefine your purpose, find causes that light you up and embark on adventures that remind you age is indeed just a number.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful. There is no assurance that working with a financial professional will improve investment results.

IDENTIFY THE CONNECIONS BETWEEN NET WORTH AND RISK TOLERANCE



UNDERSTANDING YOUR RISK PROFILE IS AN IMPORTANT COMPONENT OF MANAGING SIGNIFICANT WEALTH.

Nobody wants to financially erode the portfolio they've built by making risky choices at the wrong time. You spend nearly half of a lifetime working hard to prepare for a secure retirement, so no wonder it isn't easy to convince yourself to embrace risk. As vital as wealth preservation is, especially when nearing retirement, returns are still an important consideration.

So how do you get over the risk hurdle? Research shows your financial advisor can help. Those who work with an advisor perceive potential higher-risk investments with less negativity. They're also more apt to recognize the importance of holding thoughtfully selected risk within an investment portfolio compared with wealthy investors who don't partner with an advisor.

But how risky is too risky when it comes to wealth preservation and generating returns for high-net-worth investors? You might be surprised.

Sometimes looking at the numbers is an exercise in perspective. Investors with significant wealth have a greater ability to absorb financial losses than others – but emotion can sometimes get in the way of seeing the broader context. An amount that may initially cause "sticker shock" may actually be a fraction of your liquidity when considering the bigger picture. Your advisor may be able to run simulations that show how your unique portfolio would react to market pullbacks or changes in interest rates. Seeing these potential outcomes can help clarify the level of risk that fits your tolerance and your investment goals – and it may turn out to be higher than you thought.

Age is less important when determining risk for investors with significant wealth. Your investment time horizon – the length of time you expect to hold an asset – is an important component of risk tolerance. Older investors typically have a shorter time horizon given their proximity to retirement and the usual need to make portfolio withdrawals at that time. However, age may have less impact on the overall risk tolerance of affluent investors whose income needs in retirement are already accounted for. If it's unlikely you'll need to liquidate assets in the near term to meet your spending needs, it may be appropriate to maintain a less-conservative allocation for longer.

Being too conservative can be a risk unto itself. Avoiding undue risk is always wise. However, you want to be sure to balance risk with potential return when it comes to your overall plan to outpace inflation and meet your financial goals in retirement, whether that's supporting your grandkids' education, giving to charitable causes or taking that once-in-a-lifetime trip. With the more complex planning needs that come with being an affluent investor, it's important to discuss with your financial advisor an asset allocation that can help maintain your lifestyle over the long term.

Focus less on market timing and more on the timing of your life. Creating a diversified portfolio and revisiting it as your life and goals evolve is more important than any one investment decision. Your financial advisor can help you determine which opportunities provide the best potential for reward for the risk taken that aligns with your unique circumstances, life plans and goals, and provide you with the confidence not to "jump" into and out of the market at the wrong time.

More risk assets, more thoughtful rebalancing. Because private wealth individuals typically hold meaningful wealth in risk assets like equities, which can change significantly in value over time, it's important to establish a plan with your advisor for periodically returning your portfolio to its target asset allocation. It's also important for your advisor to see the whole financial picture; holding assets in multiple accounts without informing your advisor of your full portfolio may increase the risk of becoming overly concentrated or underexposed to certain markets. Your selected strategy will have important tax consequences, so talk through various approaches to determine the best fit.

Create a steady withdrawal strategy for retirement. Capital preservation is important to prevent income loss. You'll still need to ensure your liquidity needs are met with a holistic income strategy. Consider the income sources you'll have in place, which may include Social Security, pensions, annuities, dividends, bond coupons, etc., and work with your advisor to address any potential mismatch between what'll be generated and what you'll need to maintain your desired lifestyle as well as access capital if there is ever a need.

Confront concerns head on. One way to bring confidence to the idea of taking on risk is to simply talk about it openly. Have conversations with your financial advisor to help you understand your risk tolerance today and how risk can affect your future. When ideas and numbers become more tangible, they become more manageable. Your financial advisor can speak directly to the matters that will impact your portfolio the most but change your lifestyle the least.

Maintaining a large portfolio into and through retirement doesn't have to mean giving up on returns and opportunities for growth, when that risk is managed thoughtfully. It may take a true understanding of your overall financial outlook, and transparent conversations with your financial advisor, to help you get there.

There is no assurance any investment strategy will be successful. Investing involves risk including the possible loss of capital. Asset allocation and diversification do not guarantee a profit nor protect against loss. The process of rebalancing may result in tax consequences.

IMPORTANT: The projections or other information generated by the firm's portfolio simulation tool (Goal Planning & Monitoring) regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Dunning Wealth Management

Idaho Office
708 Main St, Suite 202 • Caldwell • ID • 83605
208-301-9905

Oregon Office
2332 NW Professional Dr • Corvallis • OR • 97330
541-286-7484

kyle.dunning@dunningwm.com
brayden.dunning@dunningwm.com

Dunning Wealth Management is not a registered broker/dealer and is independent of Raymond James Financial Services. Securities offered through Raymond James Financial Services, Inc., Member FINRA/SIPC. Investment advisory services offered through Raymond James Financial Services Advisors, Inc.

Past performance is not an indication of future results. The information provided is for informational purposes only and is not a solicitation to buy or sell Raymond James Financial stock. A credit rating of a security is not a recommendation to buy, sell or hold securities and may be subject to review, revisions, suspension, reduction or withdrawal at any time by the assigning rating agency. Any opinions are those of the author and not necessarily those of Raymond James. Expressions of opinion are as of this date and are subject to change without notice. There is no guarantee that these statements, opinions or forecasts provided herein will prove to be correct. While we are familiar with the tax provisions of the issues presented herein, as Financial Advisors we are not qualified to render advice on tax or legal matters. Raymond James does not provide tax or legal advice.