

NEWS You Can Use

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Do You Have a Digital Legacy Plan?

Password management company NordPass states each person has an average of 100 online accounts. Without a plan for how heirs will access digital accounts, the deaths of loved ones can become even more complicated.

During already-difficult grieving times, figuring out how to get into, maintain or shut down accounts may be difficult and financially critical. Digital legacy planning can ease that burden, but experts say far too few people take advantage of those tools.

Experts recommend people of all ages develop a digital legacy plan, putting passwords in one place and deciding what happens to your social media presence.

Inventory digital assets which can include financial, or personal value, from social

media, cloud and email accounts to crypto assets, customer loyalty points within e-wallets and online gaming accounts.

Everplans, a digital legacy planning service, states the most important things someone can do is to provide an unlock code for their phone and computer to a trusted loved one. Many other accounts can be reset after gaining access to email. Phones are often needed for text verifications, so it's helpful to hang onto smartphones awhile before resetting them.



It's now standard practice for estate planning professionals to ask clients for information on their digital assets.

cnn.com/2024/02/26/tech/digital-legacy-planning-personal-technology/index.html

Advantages of Downsizing Your Home to Prepare for Retirement



There are many advantages to downsizing your home, even if you own it outright:

Lower Utility Bills:

A large property means big utility bills. You can reduce this cost by living in smaller home.

Unlock Equity:

If your home is bigger than necessary in retirement, with rooms that you never use or extra spaces that you don't need, you're losing money by heating, cooling, and maintaining these spaces. Selling a large home unlocks equity that can be used in important ways, and you can also choose a home that better fits your needs.

Lower Property Taxes:

Moving to a less expensive home saves on property taxes. Your savings will go farther as a result.

<https://www.money-rates.com/personal-finance/7-ways-to-downsizing-for-retirement.htm>

Whittling Down Debt In Retirement

A recent Nationwide study finds that Americans of retirement age have an average of \$70,000 in debt.

Retirees will generally have a fixed income, consisting largely of Social Security and savings withdrawals, with precious little financial wiggle room.



Signs that your current home might be eligible for a change: too much space, high maintenance properties like

historic homes or expansive landscaping, high tax areas or HOA fees, multi-level homes, and remote settings.

The biggest factor in reducing retirement debt is to maintain an income for as long as possible, so delaying retirement can pay down outstanding balances and build up emergency savings. Retaining a full time position may not be the only option; transitioning to part time work might also work.

Reducing costs can also help free up cash to pay down that debt.

Housing takes one of the top spots in living expenses, so lower housing costs can offer financial relief for many. Renting a space, if possible, can cut the housing payment without the need for moving. Downsizing to a less expensive home is also an option.

Invest in your health! Fidelity estimates couples aged 65 may need about \$300,000 for healthcare in retirement, with premiums, deductibles and other out-of-pocket medical expenses. For retirees with chronic conditions or those needing long-term care, these costs can be even higher. Eating well, exercising, and proper treatment plans cut costs and improve life quality.

msn.com/en-us/money/realestate/downsizing-for-retirement-stay-away-from-these-7-homes

gobankingrates.com/retirement/planning/ways-to-cut-costs-on-the-biggest-expenses-for-retirees

March and April – Cherry Blossom Festivals



The tradition of cherry blossom festivals in the U.S. dates to 1935, when the National Cherry Blossom festival began to honor Japan's 1912 gift of some 3,000 trees.

Celebrations continue around the country symbolizing international peace and friendship. The Sakura flowers serve as spiritual metaphors, a reminder to live in the present moment.

Each tree's blooms last about one week, while whole stands bloom and fall in about two.

Peak blooms for southern states like Georgia, Texas, and Tennessee occur in early to mid-March. They grace Washington D.C. between the last week of March and the first week of April. New England's trees bloom 20 days later. Precise predictions must consider year-over-year comparisons of the complex interplay of weather and climate, including factors like cloudy days, rain and snowfall, and temperature.

nationalgeographic.com/travel/article/cherry-blossom-bloom-predictions-spring

Tax Diversification Tips for Retirement

When it comes to investment and retirement planning, diversification offers the best chance of a high return on your investments. The following tax diversification tips can help you ensure that you retain as many of your interest-earned dollars as possible after retirement.

Experts recommend investing retirement funds across three different account types: a taxable account, a non-taxable account, and a tax-deferred account. For plenty of people, it comes as a surprise that Social Security, too, is taxed, so making a plan for how to spend down or transition investment money is crucial to maximizing earning potential.

To earn as much as possible over time, dividing money between these account types and then spending and moving it at specific times during retirement can maximize savings in the long run.^{1,2}

For individuals who expect to be in a lower tax bracket after retirement, withdrawing from a traditional IRA or 401(k) account is a smoother transition. Both types of accounts are “pre tax”

accounts, meaning that taxes will be charged to the interest earned after the withdrawal happens. Those expecting to be in a lower tax bracket may be less concerned about this taxation on the interest earned on retirement investment money. However, individuals who expect to be in a higher tax bracket after retirement may prefer a Roth IRA or Roth 401(k) as a better tax choice.

Roth accounts are “after tax,” so interest will be charged before you remove your investment money. Thus, you won't be charged in the higher tax bracket and you'll be able to save more on your investment dollars.



1 - thebalance.com/tax-diversification-with-investing-2466705

It Happened In



March 5, 1933 –

Amid a steadily worsening economic situation, newly elected President Franklin D. Roosevelt proclaimed a four-day "Bank Holiday" to stop panic withdrawals by the public and the possible collapse of the American banking system.

March 10, 1862 –

The first issue of U.S. government paper money occurred as \$5, \$10 and \$20 bills began circulation.

March 24, 1989 –

One of the largest oil spills in U.S. history occurred as the oil tanker Exxon Valdez ran aground in Prince William Sound off Alaska, resulting in 11 million gallons of oil leaking into the natural habitat over a stretch of 45 miles.

March 27, 1977 –

The worst accident in the history of civil aviation occurred as two Boeing 747 jets collided on the ground in the Canary Islands, resulting in 570 deaths.

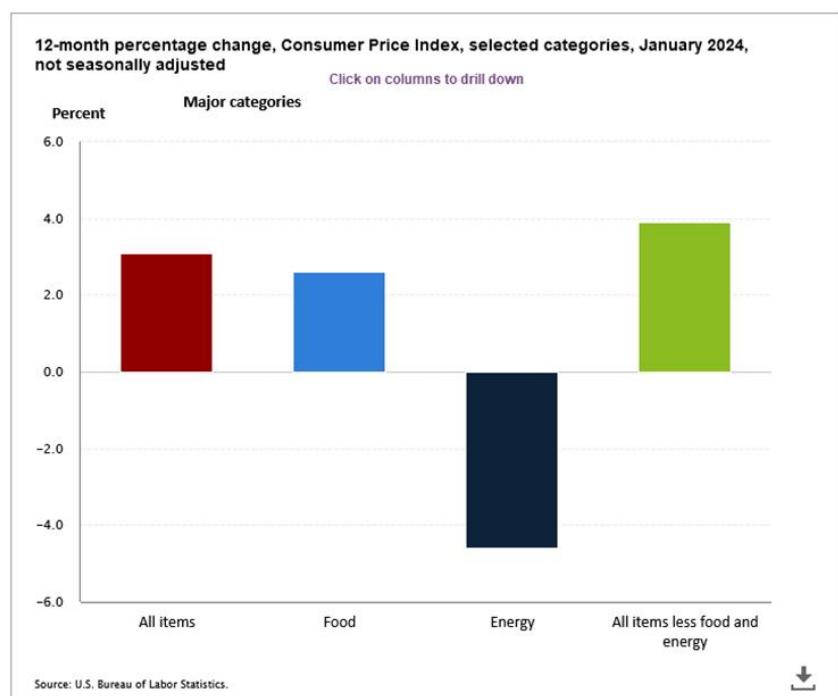
historyplace.com/specials/calendar/march.htm

Inflation is Still Too High for Rate Reductions

Fed officials acknowledged that inflation has slowed considerably from its four-decade peak in the summer of 2022 in January, but opted to hold rates steady for the fourth consecutive meeting. While the Bureau of Labor Statistics' Consumer Price

projected in December. Investors now expect the first rate cut to come around the middle of the year.

The Cleveland Fed's model suggests inflation may level out at a point significantly above the Fed's 2% annual inflation target.



Index indicated that prices rose by 3.1% for the 12 months ending in January, chair Jerome Powell stated that a Spring rate hike would be too soon – officials want to see data stretching over several months before they make interest rate decisions.

A few weeks ago, investors believed the Fed would cut

Combined with relatively robust jobs data, this means that the Fed is holding back on interest rate cuts for now.

cnn.com/2024/02/21/business/fed-minutes-february-inflation/index.html

forbes.com/sites/simonmoore/2024/02/26/how-stalling-inflation-data-may-concern-the-fed/?sh=297af646bb7d