

Legacy Press

..... LIFESTYLE & LEGACY CHOICES BY DESIGNSM

Fact

Waller Financial Planning Group has been in business for 30 years. Larry incorporated the firm in August 1985.

Source: Waller Financial Planning Group

"Individuals don't retire; they refocus their time and energy on what's most important to them."

Charles Kerwood, III
CFP®, ChFC®, AEP®

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Charlie Kerwood's 25th Anniversary: Q&A

By: Waller Financial Planning Group

How did you learn about Waller Financial?

One summer, during my time at OSU, I really wanted to stay in Columbus; however, I needed to find a full-time job so that I could keep paying for school and an apartment. My hall director, at Morrill Tower, suggested I talk with a friend of hers who was hiring. It turned out to be Larry Waller. I had no idea what financial planning was, but knew that it would be good experience for my degree. Larry interviewed me, gave me a short math test, and hired me. I remember he told me that he could only pay me for 20 hours a week. I initially panicked, knowing I needed to work full time. Fortunately, I was able to secure a summer job with Residence and Dining Halls helping assign rooms for the dormitories. During winter breaks, Larry hired me full time. I really enjoyed the work and the learning experience.



What do you remember about your first few years at WFPG?

There were huge piles of Flex Funds statements that had to be input. There was only one computer. I was in the back office. Debbie Fisher, para planner, sat in the back with me and explained how everything worked. It was simple data input for a while. I worked only 20 hours a week then, so I was only doing basic stuff. A lot of filing was needed because there were a lot of hard copy files - financial planning files, security files, insurance files, so I had to learn how to file all of those things.

At one point, in the early days, Larry had me do some of the training and deal with the human resources aspect. In hindsight, I wasn't very good at that role. It taught me the parts I enjoy most: client and advisor interactions, charitable giving, income tax and estate planning.

What made you dedicate your life to helping others financially?

Well, it didn't start out that way. I've always loved math, so when I went to OSU I thought I was going to go into something involving Imaginary Numbers or Theoretical Math. Although I liked the thought of the challenge, my vision of being in a room, with a white coat, and all by myself didn't really appeal to me. So, I went the business route and took some entry finance courses. After I had the summer internship here, at Waller Financial, I enjoyed helping others with their finances. What Larry taught me about helping people really appealed to me. It fit like a glove. I got to meet new people, be a knowledgeable professional, and provide important advice that will impact clients' lives on a daily basis and through retirement.

What have you learned from rising through the ranks of Waller Financial?

It was a great opportunity to grow with the firm “organically.” By starting out at the lowest level, as an intern, I learned this business inside and out - I’ve done everything here, in one form or another. When I first joined, there were only a handful of us. I have made many mistakes over the years, but I’ve grown from them. I have learned that you don’t have to know everything – you just have to hire people that know things you don’t, and hire people that are smarter than you are. By doing this, we have built a great team that complements one another. The team approach, is what I feel, best serves our clients.

I have learned it’s important to find something you are passionate about. By doing so, you find that it is not just a job, but rather a life’s work. My parents taught me two big lessons: (1) Find something you love to do, then do it; it doesn’t matter how much money you make, if you despise what you do, you won’t live a rewarding life, and (2) do the right thing by other people, and making a profit is something you can’t avoid. Those lessons really resonated with me.

One of the big things that Larry taught me was the charitable aspect. He’s always been very charitably-inclined and he instilled that in me because my family wasn’t able to give money or volunteer much. Larry taught me it’s about making the world a better place. It’s not about what you keep, it’s about what you give away.

What do you love most about WFPG?

The people: the clients and the employees. My colleagues make it a fun environment to work in, and I love that we work together as a team. We have truly become a family. We value and respect one another, and we have our clients’ best interest at heart. I get to work with clients who value and appreciate what we do. I get to work with other advisors who care about the clients as much as we do. At the end of the day, it’s the people, because without people I would not enjoy my job, my career, my life’s work; I just wouldn’t enjoy it.

For the full interview, visit:
www.waller.com/charlie-kerwood-25th-anniversary/

A New Generation of Gifting Via College 529 Plan

By: Kathy Kincaid, CFP®

Do you remember birthday parties when you were little? They usually consisted of your mom’s homemade cake and your family sitting around the table singing “Happy Birthday” before you blew out the candles. Have you been to a birthday party lately? Parties these days are full on extravaganzas limited only by imagination: bounce houses, cotton candy, princesses, batting cages, trampolines and llama rides (yes, I have actually been to a party with llama rides.) There seems to be limitless possibilities.

The guest list for these parties is a mile long. Usually, there is 10-20 children, plus family, friends and neighbors. No one would dare come to such a soiree empty-handed. Most people go to Toys R Us and pick up the latest toy or game. Your grandchild’s eyes light up with excitement when he rips open the paper and sees the latest and greatest techno thingamajig, and many hugs and “thank yous” ensue.

As exciting as all of that is, I ask you to go peek in the birthday boy’s or girl’s room. Do you see rows and rows of forgotten games with broken pieces? How about stacks of toys that never see the light of day? There has to be a better gift that won’t turn into old junk next month. **What if you could get a gift that would be remembered for several years?** Yes, that’s right, years!

What about the gift of a college education? We all know college tuition costs are out-of-control. Parents help as much as they can, but, in many cases, the cost of four years or more of college education far exceeds the family savings. You can be a part of the village that sends your child, grandchild, or great-grandchild to college by contributing to a 529 plan. A 529 plan is a college savings plan that allows for tax-deferred growth and tax-free distributions when used for post-secondary education. Anyone can setup an account, and **anyone can contribute** to an open account.

Now, I know a contribution to a grandchild’s college fund would not get the same reaction as the newest video game would, but trust me when I say I know there will be much gratitude, albeit a little delayed; however, the parents will be ecstatic about the contribution, and it will not be forgotten. Contributing to a 529 plan is not a small gift that will go unnoticed. That gift will be remembered for a very long time. Imagine if someone had contributed to your child’s college fund: do you think you would have forgotten about it?

Check in with the graduate about six months after graduation, when student loan payments begin. That is when you can expect a great big hug and a “thank you” for making their education possible.



Five Financial Pitfalls to Avoid

By: Chris Olsgard, Partner, CFP®



When I meet with prospective clients for the first time, they are often focused on maximizing the return on their investments. While each of us here at Waller Financial strives to maximize client returns we recognize, first and foremost, that good financial planning often means **playing highly disciplined defense**. After all, it's a strategy that has served our clients very well for several decades.

For Waller Financial, playing good defense means focusing on two things: helping clients avoid small mistakes today that could grow into big financial problems in the future, and protecting their accumulated wealth from unanticipated life events that can quickly destroy that wealth.

Here are 5 financial pitfalls we encourage everyone to avoid:

1. Credit Card Debt: Credit cards today are offering amazing incentives in the form of travel points, upfront discounts and, my personal favorite, cash back rewards. Interest rates on unpaid balances can range from 10% to 30%, or more depending on the company. No matter how great of a clearance sale you find, if you're paying an additional 30% interest to the credit card company you are no longer getting a good deal. I encourage everyone to avoid charging more on their credit cards than they are able to pay off when they come due.

2. Payday Loans: If you think a 30% interest rate is high, let me introduce you to a payday loan. Typically, these small loans carry heavy fees, which seem small on a relative basis until the cost is annualized. For example, a \$100 loan for ten days can cost \$15 when you pay it back. The annual percentage rate, in this case, is in the triple digits! Keep in mind, approximately 75% of all payday loans are either rolled over from a previous loan or taken out again within two weeks. This is clear evidence that things can spiral out of control very quickly. Avoid the need for payday loans by maintaining an emergency fund ranging from three to six times your average monthly expenses. Consider maintaining more if you are in a volatile or cyclical employment situation.

3. Death & Disability Insurance: For those who have a family they provide for, inadequate protection against premature death or disability could leave survivors or caregivers in very difficult situations. While Social Security may provide some protection, it is often not enough. There are many products available at various price points to shift this risk to an insurance company. Consider a private disability insurance policy for up to 60% of your income, if your employer does not offer coverage. Maintain enough life insurance to cover any debts, salary replacement, education savings, or other financial goals that would not be met if you were no longer around. Term insurance may be a less expensive option than more permanent forms of protection.

4. Property & Casualty Insurance: People looking for discounts are often drawn to the low premiums and brilliant marketing techniques of the major P&C insurers. While these policies may be adequate for some people, they are often not sufficient for others. P&C insurance is a very detail-specific business that requires the assistance of a dedicated professional. There may be gaps or loopholes in current coverage plans that individuals are completely unaware of that could result in big out-of-pocket costs in the event of a catastrophe. Work with your insurance agent or financial planner to really dig into the details of your coverage. Don't let the length of your relationship or loyalty discounts stand in the way of making a change...the insurance companies certainly won't if you file too many claims!

5. Cash flow and Investment Management: Waller Financial adheres to a cash-flow driven investment model, because we believe it is important to protect immediate cash flow needs from the risk of the investment markets. We encourage all clients to develop and maintain a realistic budget, as well as consider any major upcoming expenses. We also advise clients to invest in a diversified portfolio, which can help absorb the impact of cyclical markets over the long term. Proper attention to these areas can help an individual avoid the need to sell under-performing investments during down markets.

Playing defense is not particularly exciting, nor will it likely get you all the way to retirement; however, the benefit of a **strong defensive strategy** is the ability to play good offense when opportunities arise.



News and Notes



Jason & Ruth Eliason welcomed their third baby, Nicholas Christian, born May 3, 2015.



Scott Rendle celebrated his 15th anniversary at Waller Financial Planning Group in July.

Tiffany Shively – For over a decade Tiffany has been a part of our family at Waller Financial. The next chapter of her life, and her family, will take place in Minneapolis, Minnesota. While it saddens us to see her move on, we are excited for Tiffany, Derrek and Kennedy's next adventure. We thank Tiffany for her great service to our clients, and wish the Shively family all the best in the future.

Save The Date

Thursday, August 13

Our quarterly Make a Difference Day will be at the Mid-Ohio Food Bank from 9-12 p.m. – RSVP by Aug. 10 to Sandy @ svidosh@waller.com or (614) 457-7026.

Tuesday, September 22

Our annual client appreciation event, Odysseus Celebration, will be held at the new Heart of Africa Center located at the Columbus Zoo. We look forward to seeing you there!

Annual Staff & Family Day

Waller Financial's staff and their families enjoyed a company picnic held at the Huntington Park. It was a great day to relax, eat and watch the Clippers! Check our Facebook page for pictures.



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