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## How Do You Know If You're Saving Enough

**M**ost people think when they start earning more money, they'll start saving more money. But what often happens is the more you make, the more you spend. If you want financial independence, you have to establish a savings routine. The more money you make, the more your savings rate needs to increase.

While it may seem like a daunting task, it can be accomplished. The only way to reach financial independence is to save and live within your means. Your savings should include retirement account contributions, matching funds from your company, if available, cash savings, and any other investments.

### Savings at Every Age

**Your 20s:** You are just starting out, and hopefully, you've found a good job that pays a reasonable salary. This is the beginning of the accumulation stage, so start by paying off any debt you have and work to save at least 10%-25% of your income. If your employer offers a 401(k) plan, start investing right away. Try to contribute as much as possible or at least as much as your employer will match.

**Your 30s:** Hopefully, you have now found out what you want to do for a living and have had a jump in income. You are still in the accumulation stage, so you should be increasing contributions to your retirement account and trying to contribute the maximum per year. By the end of your 30s, you'll want at least twice your annual salary saved. A simple example: If you're making \$50,000 annually, you'll want to have \$100,000 accumulated in savings by age 39. But remember this includes retirement accounts.

**Your 40s:** This is the decade of major responsibilities, as you probably have dependents. Your income may have increased as you climbed the ladder at your job or moved to a new one; and,

even with the increase in expenses, you should also be increasing your savings rate. By the end of your 40s, you should have saved four times your salary. Now you will want to max out your contributions to retirement accounts as well as monitor your investments for performance.

**Your 50s:** You are now at your peak earning years and your savings rate needs to be at its highest. Your expenses are still pretty high; but by the end of this decade, you will most likely be an empty nester, and expenses should decrease. By the time you reach 59, you'll want to have saved seven times your income. Monitor your investments so you can make adjustments to increase your returns.

**Your 60s:** You're getting close to or have retired. Your mortgage may be paid off and expenses have decreased. Your savings should be at its peak, which is 10 times your income prior to retiring. You can now start to relax as you will receive distributions from your retirement accounts as well as Social Security benefits. You'll need to make sure that you are informed about distribution requirements of your retirement accounts.

**Your 70s and beyond:** Now all of your expenses are covered by your retirement account distributions and Social Security benefits. Hopefully, you are reaping the benefits of all those years of saving.

**Watch for These Warning Signs:** As you go through the journey to retire-

ment, you may not be able to accumulate the level of savings you need, but you should have acquired a good amount of savings for a comfortable retirement.

Take stock of how much you are saving every year and look for warning signs that you are not saving enough. If you experience any of the following you need to take a hard look at your financial situation to get on track:

- You have no idea how much money you're spending every month, which means you are most likely overspending.

- You don't have savings goals or a savings plan. If you don't have goals and a plan to achieve them, you will have a hard time saving for important milestones.

- You're living paycheck to paycheck. It's time to take a serious look at your finances to see what can be reduced or eliminated.

- You're putting off saving for retirement. It will get here quicker than you think, and this is the one thing you really need to start saving for as early as possible.

- You can't pay your credit card balance in full, which means you probably have significant debt.

- You don't have an emergency fund. You know the unexpected will happen and need to be prepared.

Please call if you'd like to discuss this in more detail.



## Personal Note

Every year, we expect certain things to happen around the holidays. We expect the leaves to change colors and decorate our houses with pumpkins and cornucopias. We expect football on television and to eat turkey, stuffing, potatoes, and gravy. We expect our family to gather from near and far. But this holiday season- and all of 2020, really- has turned our expectations upside down. This year, many of us will not be able to see our parents, grandparents, or other relatives. Those who have lost their jobs may not have the means to enjoy the kind of feast we're accustomed to. Most of us have never experienced a holiday season like this one. That's because most of us have never experienced a *year* like this. And yet, it's precisely during a time like this that I believe it's more important than ever to remember what *truly* matters. When we learn to live without certain comforts, we learn what we *couldn't* live without. We learn what we really have to be thankful for. And there are many, many things I am thankful for.

**First and foremost, I'm thankful for my family.** My daughter Sarah, who many of you know, recently completed the rigorous coursework and passed her examinations to earn the designation Certified Financial Planner (CFP). As her father (and business partner!) I am very proud of her. Not to be out done, her younger sister, Tate, has been admitted to the Masters of Marketing program through the Owen School at Vanderbilt and plans on starting that program in 2021. Better yet, she was awarded a scholarship! As

a father (and payer of tuition!) I am very proud of her too.

**Second, I'm thankful for the technology** that enables me to connect with my family, even when we're hundreds of miles apart, or simply separated due to social distancing.

**Third, I'm thankful for my amazing team.** Their dedication, professionalism, and attitude inspire me every day. When the lockdowns started, they worked from home without skipping a beat, working to take care of our clients even while they took care of their own families. I do what I do because their hard work empowers me to.

**Fourth, I'm thankful for life's daily luxuries that we too often take for granted.** Can you imagine going through this pandemic the way people would have hundreds of years ago? The pandemic has reminded me just how accustomed we are to always having food, always having water, always having power, always having shelter. In the 21st century, we have books and games and movies to keep our minds occupied. We have pets to keep us company. Let's face it, this pandemic has even reminded us how much we take toilet paper for granted. Toilet paper!

As difficult as it is to live with COVID-19, the modern world makes it easier than past generations could have imagined. And I'm grateful for that.

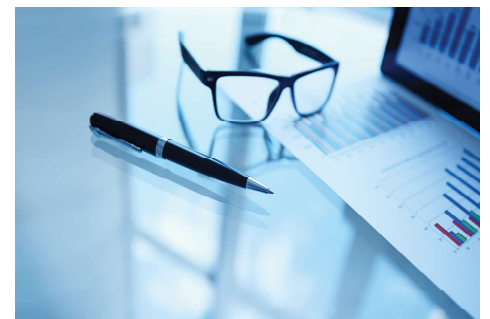
**Fifth, I'm thankful for the men and women striving to end this pandemic.** The doctors and nurses on the front lines, caring for the sick. They are *literally* putting their lives on the line, working from sunup till sundown. All to save lives and to reunite families. And let's not forget the scientists and researchers, racing against the clock to deliver the world a vaccine in record time. I could never do what they do. I'm so thankful they're doing it.

**Sixth, I'm thankful for the members of our community who keep our community functioning.**

From teachers to police officers. From grocery store baggers to truckers. From utility technicians to sanitation workers. Many are working double shifts. Others have converted their offices into makeshift bedrooms. Too often, their work goes unnoticed and unsung. But they are considered essential workers for a reason – because none of us could live without them.

**Finally, I'm thankful for the folks who entrust us with their resources.**

When the pandemic began, we tried to reach out to every one of our clients. Not just to talk about investments, but to talk about them. To see how their families were doing. But very soon, we realized we didn't have to call each of our clients. That's because most of our clients were calling us! Not to ask about the markets. Not to ask about their money. But to ask about *us*. To check in on *us*. To express their appreciation for *us*. There is never a day that goes by where we are not thankful for what we do- because of who we do it for. This pandemic has changed so much. How we live, how we celebrate. But there are some things it *hasn't* changed. It hasn't changed what we care about. It hasn't changed who we love. And it hasn't changed how much we have to be thankful for.



# Use Conservative Assumptions

How can you ensure you'll have sufficient funds to last your entire retirement? So many of the variables used to calculate this amount seem uncertain. If you're concerned about running out of money during retirement, you need to be very conservative with your assumptions. Some tips to consider include:

**- Assume your retirement income needs to be at least 100% of your current income.** Most rules of thumb indicate you'll need between 70% - 100%, but figure on at least 100% to be safe. Nowadays, retirees want to travel, pursue hobbies, and live an active lifestyle, which generally means you'll need the higher end of these estimates.

**- Add a few years to your life expectancy.** You should probably plan on living until at least age 85 or 90. If your family has a history of longevity, add a few more years to these figures. While you may find it hard to believe you'll live that long, you don't want to reach age 75-80 and find out you've run out of money. At that point, you might not be able to return to work.

**- Reduce your estimates of Social Security benefits.** While Social Security is currently in sound financial condition, that is expected to change after all the baby boomers retire. To be safe, count on benefits that are somewhat less than the Social Security Administration is estimating, and don't plan on adjustments for inflation.

**- Cut back on living expenses now. This has two-fold**

**impact on your retirement.** First, it frees up money to set aside for retirement. Second, you get used to lower standard of living, which should also reduce your expected lifestyle for retirement.

**- Reach retirement with no debt.** Mortgage and consumer debt payments consume a significant portion of most people's income. Pay off all those debts by retirement and you significantly reduce your cost of living.

**- Forget about early retirement.** Saving enough to last from age 65 to age 86 or 90 is a difficult task. Trying to retire at age 55 or 60 is just not practical for most individuals, unless you're willing to significantly reduce your lifestyle. Working a few more years can go a long way in helping to fund your retirement. Those years are typically your highest earning years, so hopefully you'll save significant sums during that period. Also, every year you work is one year you don't have to support yourself with your retirement savings.

**- Consider working during retirement.** Especially during the early years of retirement, you should consider working at least part-time basis. Even modest earnings can help significantly with retirement expenses.

**- Plan on taking conservative withdrawals from your retirement assets.** Don't plan on taking out more than 3% to 4% of your balance annually. Your funds should last for decades with that level of withdrawal.

## Municipal Bonds

We offer the following bonds subject to prior sale or change in price as of November 17, 2020.

Ref No	Issuer	Maturity Date	Coupon	Yield to Maturity	Yield to Call	Call Date	Rating	Price
1	Met Gov't Nashville & Davidson	07/01/26	5.000	2.605	0.230	07/01/23	Aa2/AA	112.436
2	Williamson Cnty TN	04/01/28	5.000	0.570	0.570	N/A	Aaa	131.913
3	Jefferson Cnty TN	06/01/29	3.000	0.900	0.900	N/A	AA -	117.130
4	Tennessee HSG Dev Agy Rsd Fin	07/01/31	2.000	1.570	1.480	07/01/29	Aa1/AA+	104.191
5	Etowah TN	06/01/36	2.500	2.394	2.300	06/01/28	AA	101.365

Callable at 100% beginning of the call date above and every call date thereafter with 30 days notice.

In addition to the bonds listed, we have several other corporate bonds available. If you are looking for a specific bond or maturity, please feel free to contact me with your requests.

We are also interested in buying corporate bonds. If you have bonds for sale, please call me for a bid and details on how you can convert your present bonds to cash or alternative investments.

Finally, new bonds are coming to market every day. If you give me a call, I will be more than happy to go over current market offerings and conditions with you.

*Although the information and statistics are not guaranteed, they have been obtained from reliable sources and are believed to be accurate. All put/call information may not be displayed and Wiley Bros.-Aintree Capital assumes no responsibility for such undisclosed features or omissions. All are subject to market conditions and/or prior sale.*

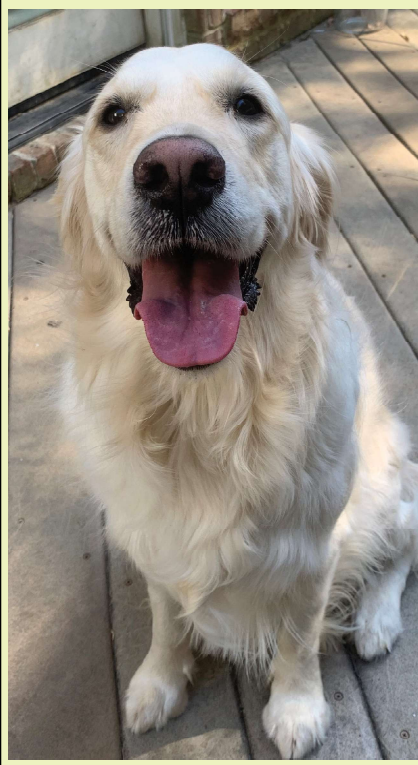
## This is Sammy, Sarah's Dog!

Many of you have read about her in previous newsletters and I thought it was time you put a cute face to the name. She is a mutt (the Humane Society said boxer mix, but she's definitely a mutt) and she turns two years old at the beginning of December! She has been an amazing companion through all of this pandemic craziness. We've taken lots of walks around our neighborhood and she tries to chase the squirrels, but the leash prevents her from following her dreams. Recently she got a stuffed squirrel toy that she plays with all the time and I know it isn't the same, but she has fun all the same. I hope everyone finds a little joy this time of year and has a happy holiday season!



## Meet Allie's Dog, Nola!

Meet Nola! She is named after my husband, Jack's, hometown of New Orleans. She is our 5-year-old golden retriever, who still acts like a total puppy! She's full of energy but loves to cuddle! She enjoys going on long walks across town or around the Greenway with us. She spends most of her free time guarding our house from chipmunks, delivery drivers, and her archnemesis: the neighbor's cat! Nola's favorite days are spent sunbathing on the back porch furniture, or swimming with us at Center Hill Lake!



## NASDAQ Basics

The National Association of Securities Dealers Automated Quotations System, known as NASDAQ, is the second largest stock exchange in the world based on market capitalization. It trades both listed stocks and over-the-counter (OTC) stocks, and it is where most technology stocks are traded. Major stocks that trade on this exchange include Apple, Amazon, Microsoft, Facebook, and Oracle.

### NASDAQ Is an Automated Trading Network

Unlike the New York Stock Exchange (NYSE), which has a trading floor, the NASDAQ trades stocks through an automated network of computers. It is open for trading between 9:30 a.m. and 4:00 p.m. EST just like the NYSE, but it offers pre-market and post-market hours as well.

The NASDAQ was established on February 8, 1971, by the National Association of Security Dealers in their quest to build the world's first electronic stock market. In the beginning, it couldn't execute trades, but provided automated quotations.

After several years, the exchange facilitated OTC trading. An OTC market is considered an informal market for trading securities. Unlike the NYSE, NASDAQ companies have less stringent reporting requirements, giving opportunities to new and unproven companies.

Eventually, the NASDAQ was able to offer online trading through an automated trading system. In 2008, the NASDAQ merged with AMX ABO, which is a Stockholm-based

operator of regional exchanges. Now, the NASDAQ lists more than 3,500 companies worth \$10 trillion and has the highest trade volume in the U.S. (Source: The Balance, December 8, 2019).

### Accomplishments

The NASDAQ boasts many accomplishments over its history, including being the first exchange to trade electronically, introduce a website, store records in the cloud, and sell its technology to other exchanges.

### NASDAQ Requirements

To be listed on the exchange, a company has to meet requirements based on their finances, liquidity, and corporate governance. They must also be registered with the Securities Exchange Commission (SEC) and have at least three market makers.

A company's stock will be listed on one of three market tiers based on its listing requirements:

- The Global Select Market is weighted based on market capitalization and has stocks on 1,200 US and international companies.
- The Global Market is a mid-cap market made up of stocks of 1,450 companies in the U.S. and internationally.
- The Capital Market has a large list of companies with smaller market capitalizations.



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