

THE SAVAGE TRUTH ON MONEY

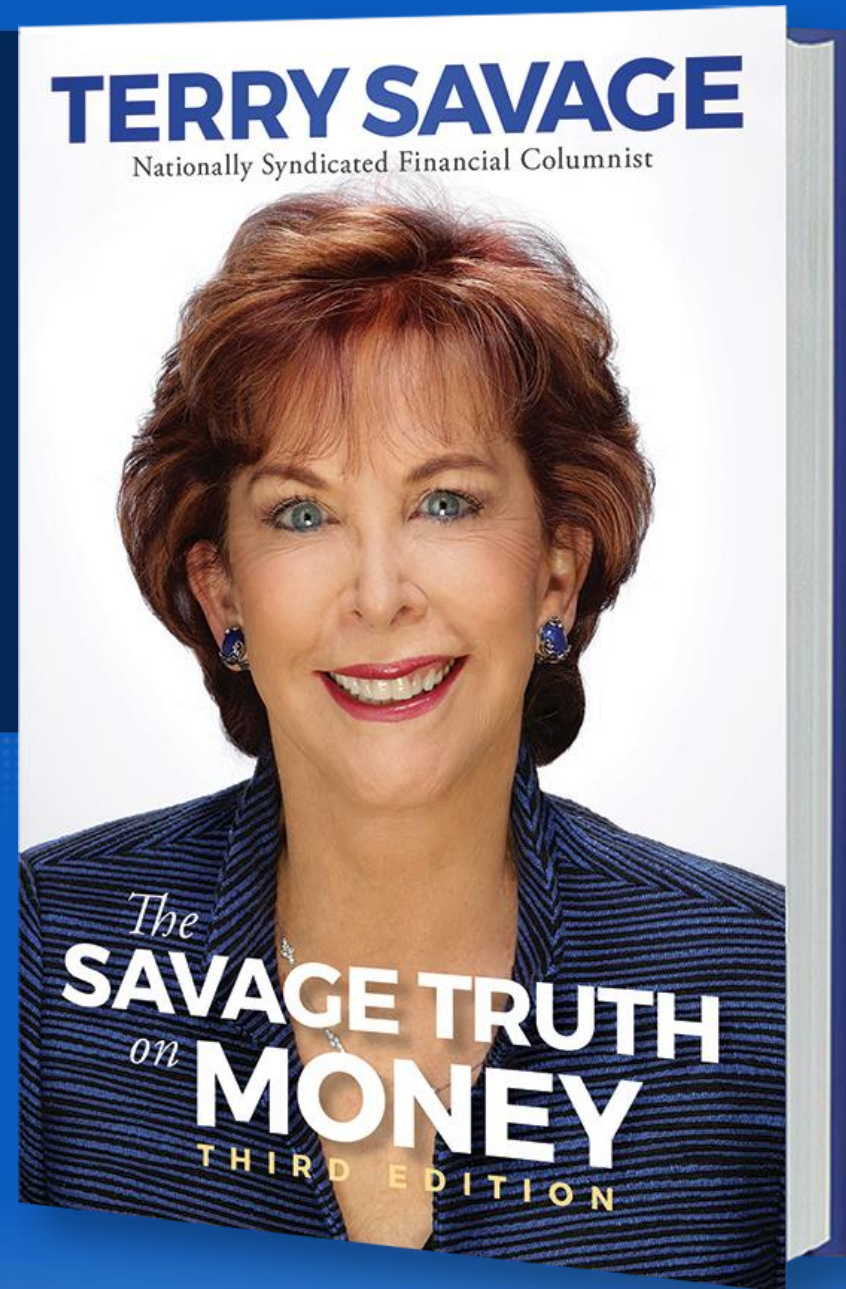
for

PROMOTING EXCELLENCE IN GOVERNMENT FINANCE



Illinois Government
Finance Officers Association

Learning • Connecting • Progressing

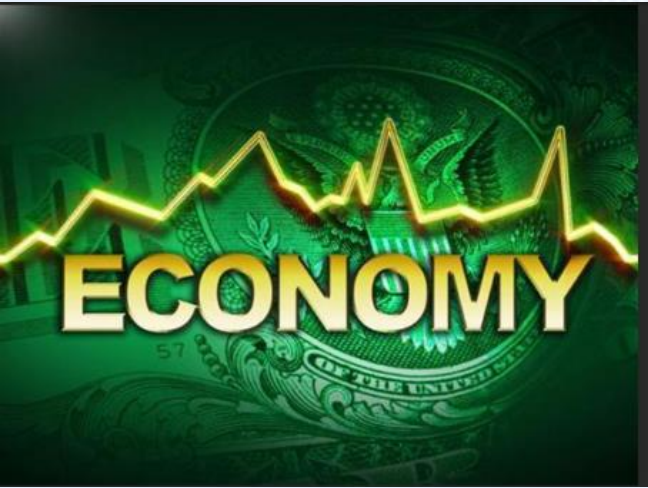


TerrySavage.com



***DON'T BET
AGAINST
AMERICA!***

*America will Survive and Prosper!
And so will YOU . . .
if you Plan, Save & Invest!*



The Economy Today

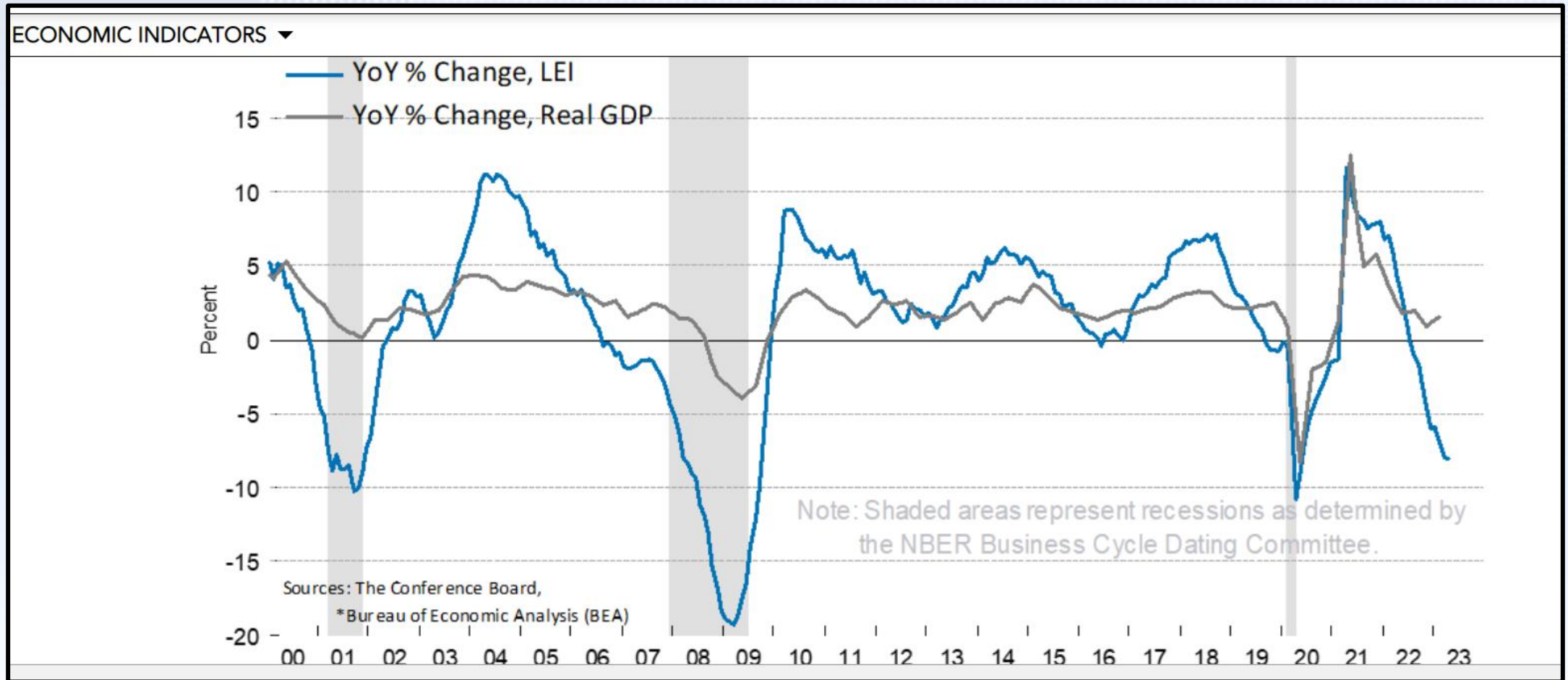
- **A Budget Deal?**
- **Fed Rate Hikes to fight Inflation?**
- **Banking Credit Crunch?**
- **Commercial Real Estate Refi**
- **Consumer Behavior –**
- **housing, credit, confidence**
- **Small Business growth**

The Savage Truth

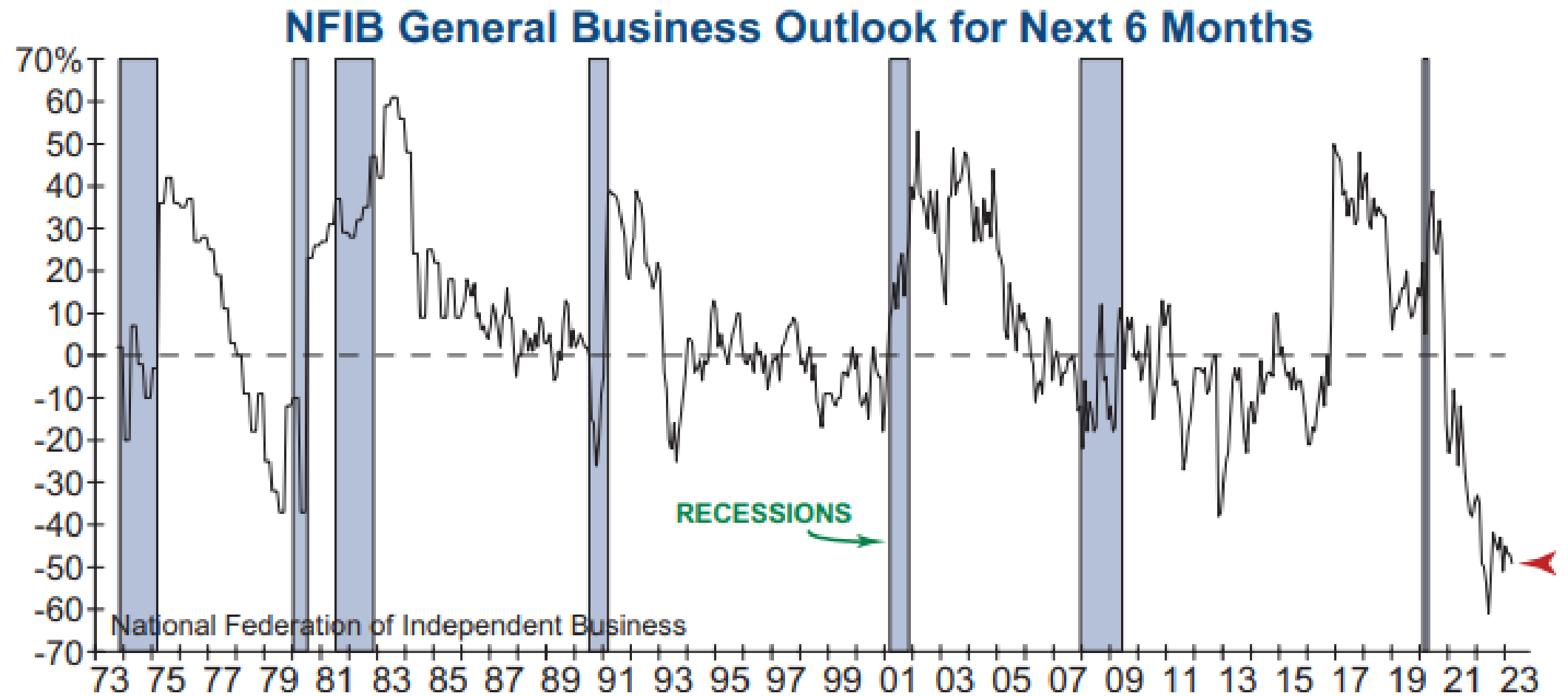
WAITING FOR RECESSION!

... And the Impact on Your Spending/Borrowing Plans

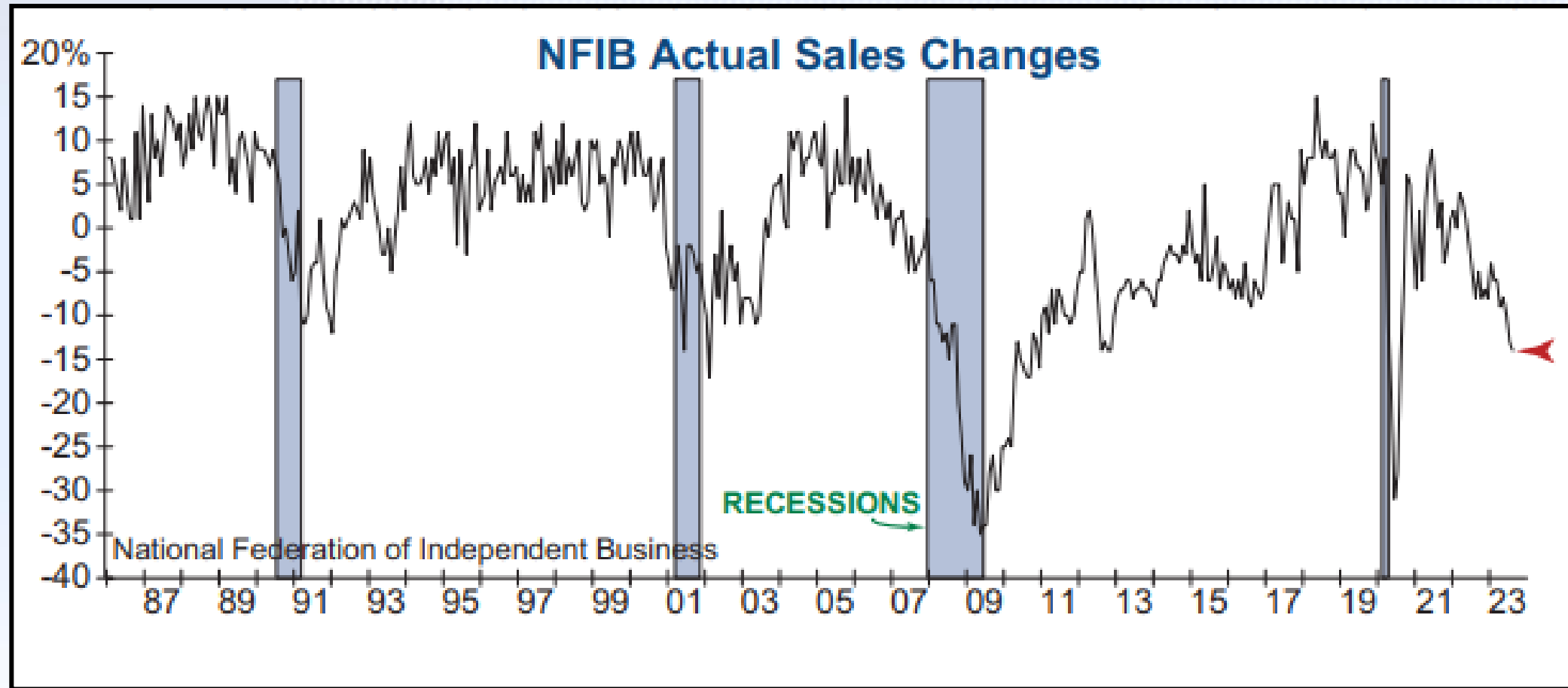
Leading Economic Indicators



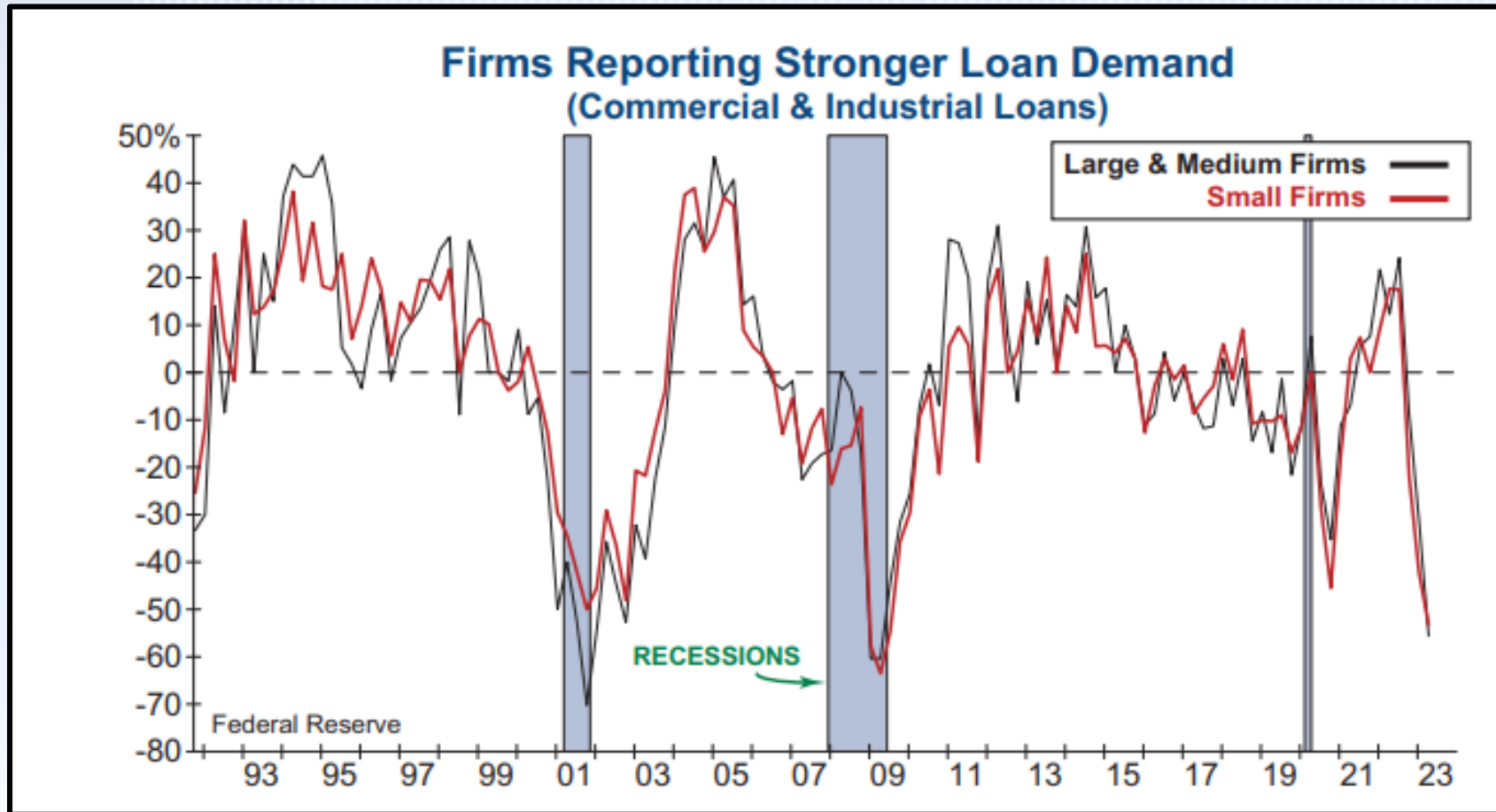
Small Biz Pessimism



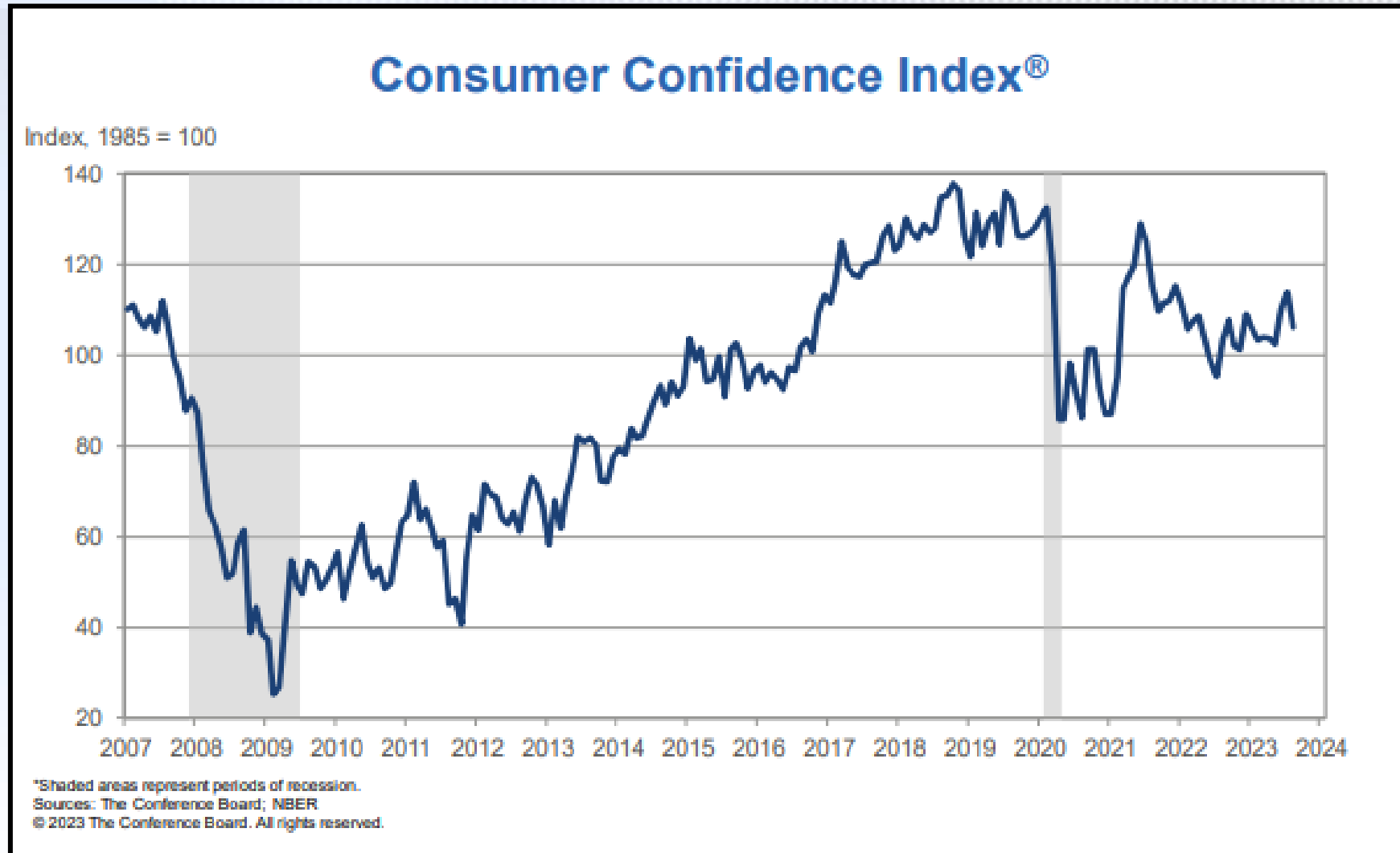
Small Biz Cuts Sales Falling



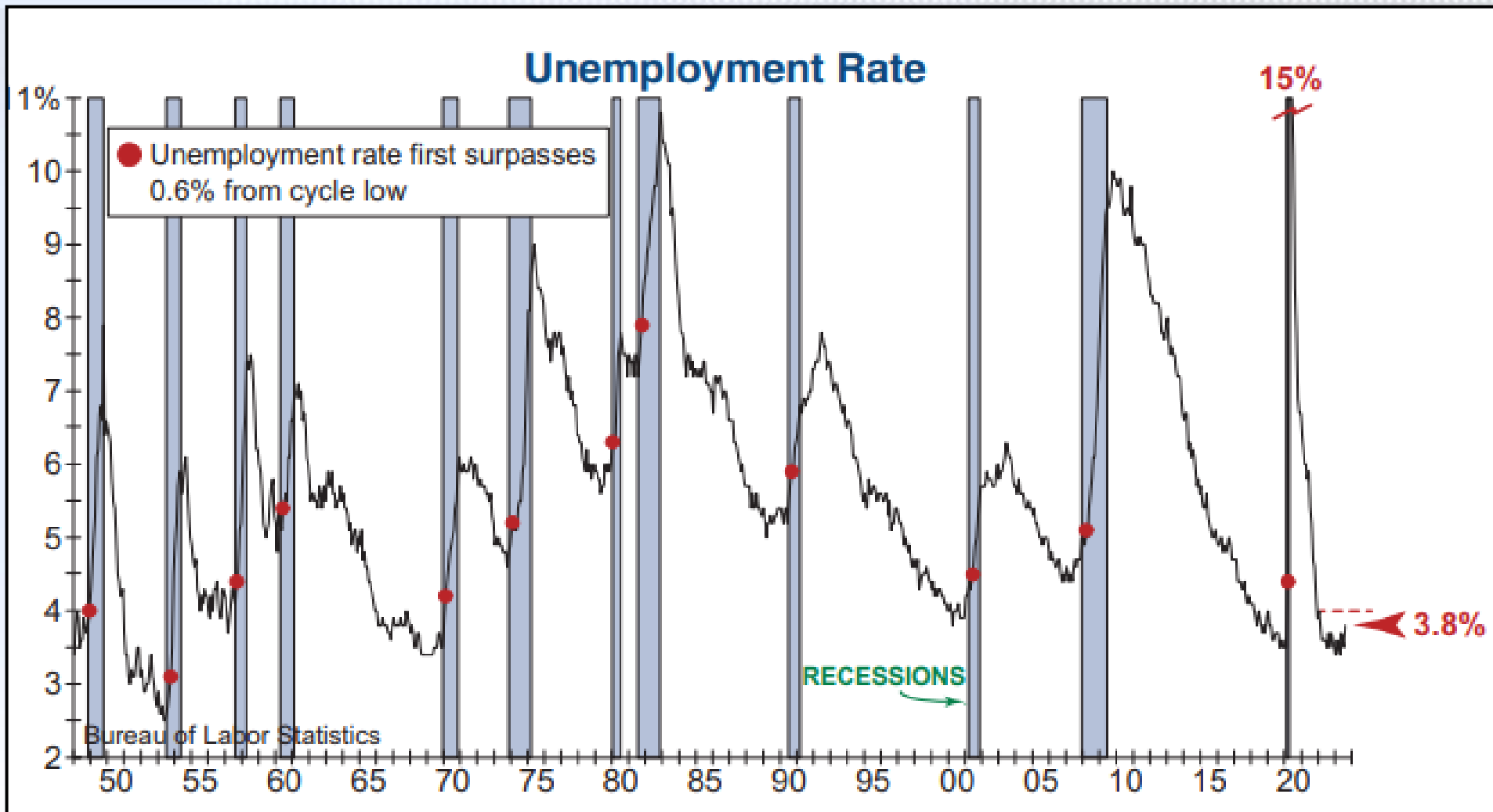
Loan Demand Falls



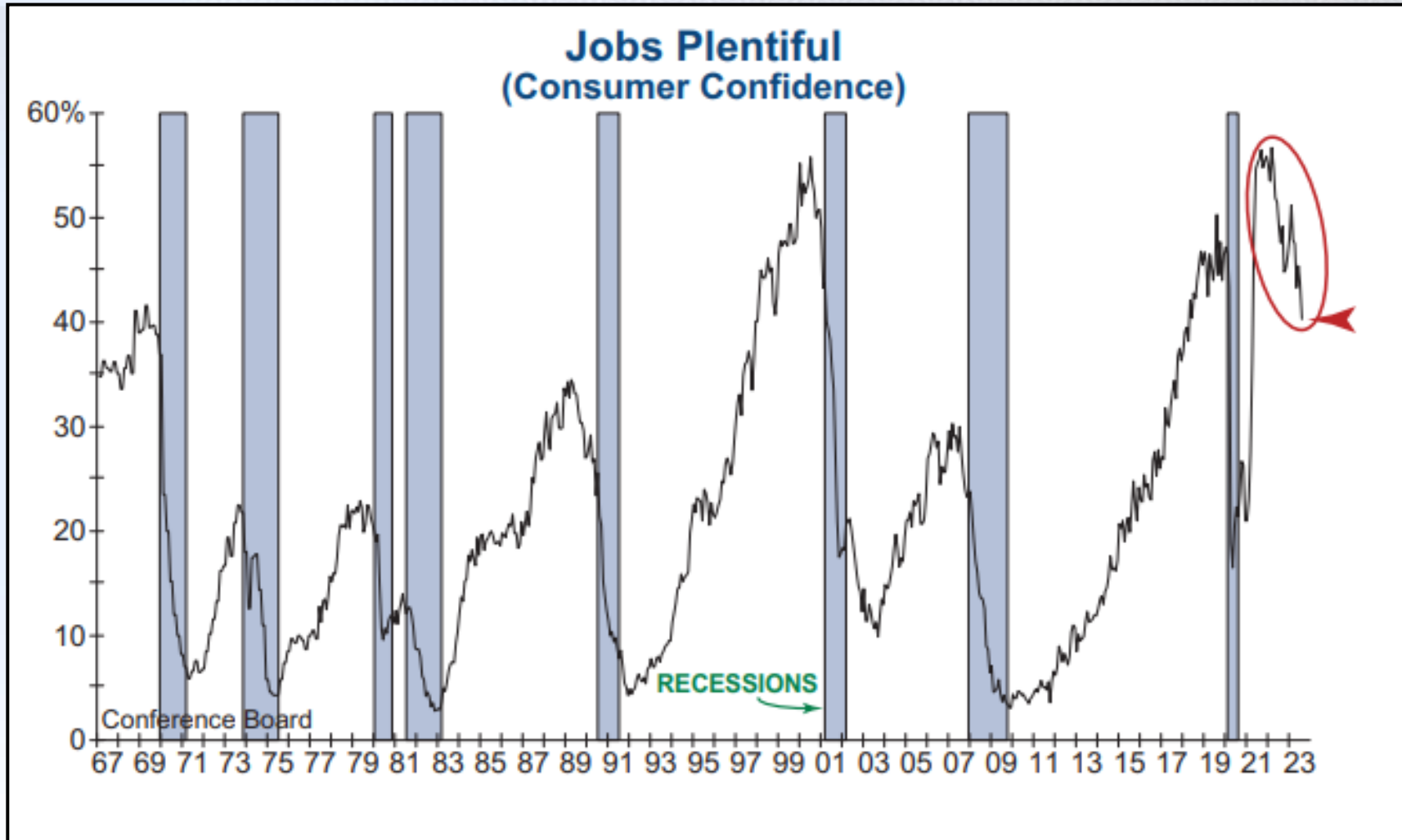
CONSUMER CONFIDENCE 2006- Now



Unemployment



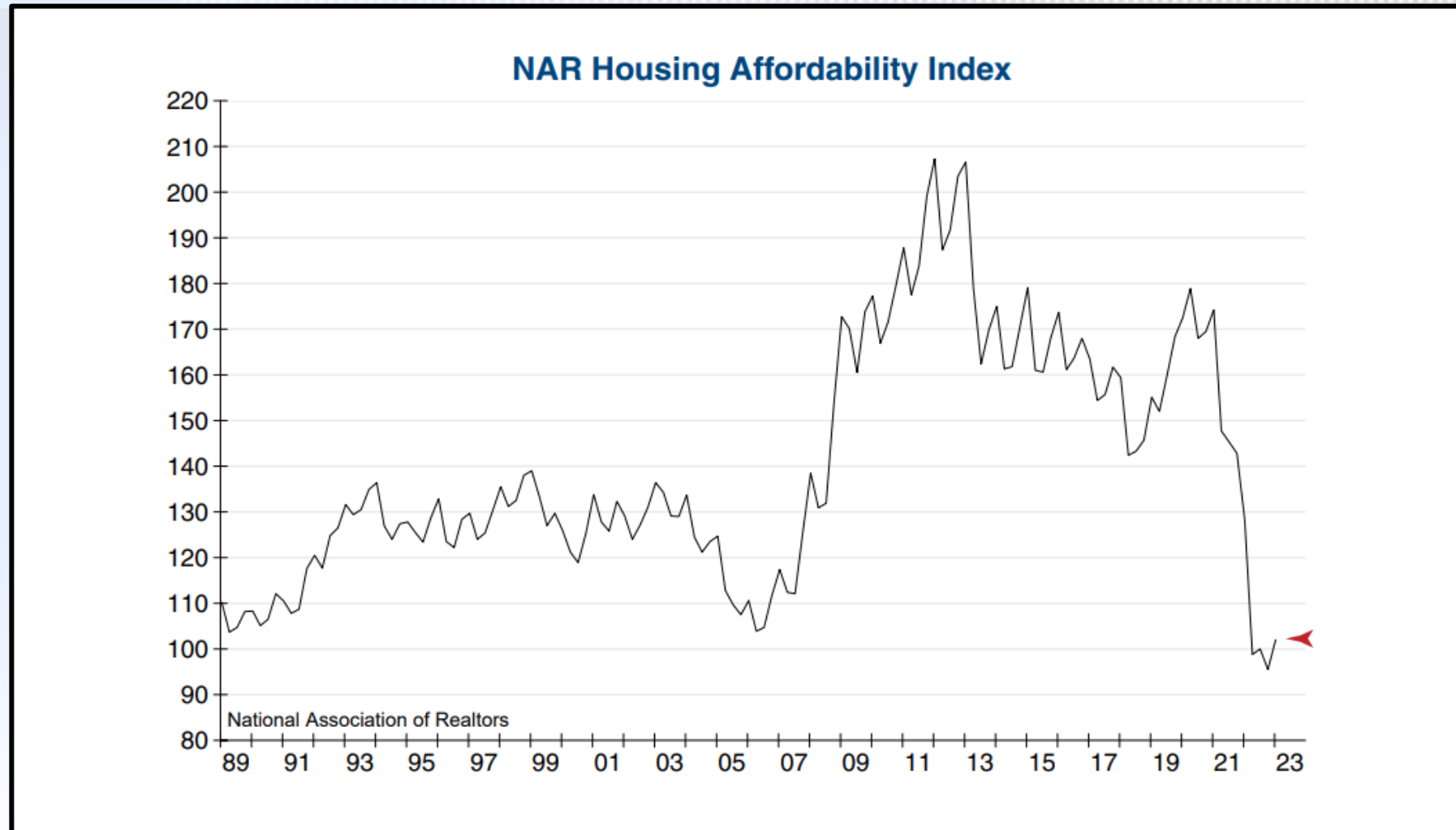
Job Availability



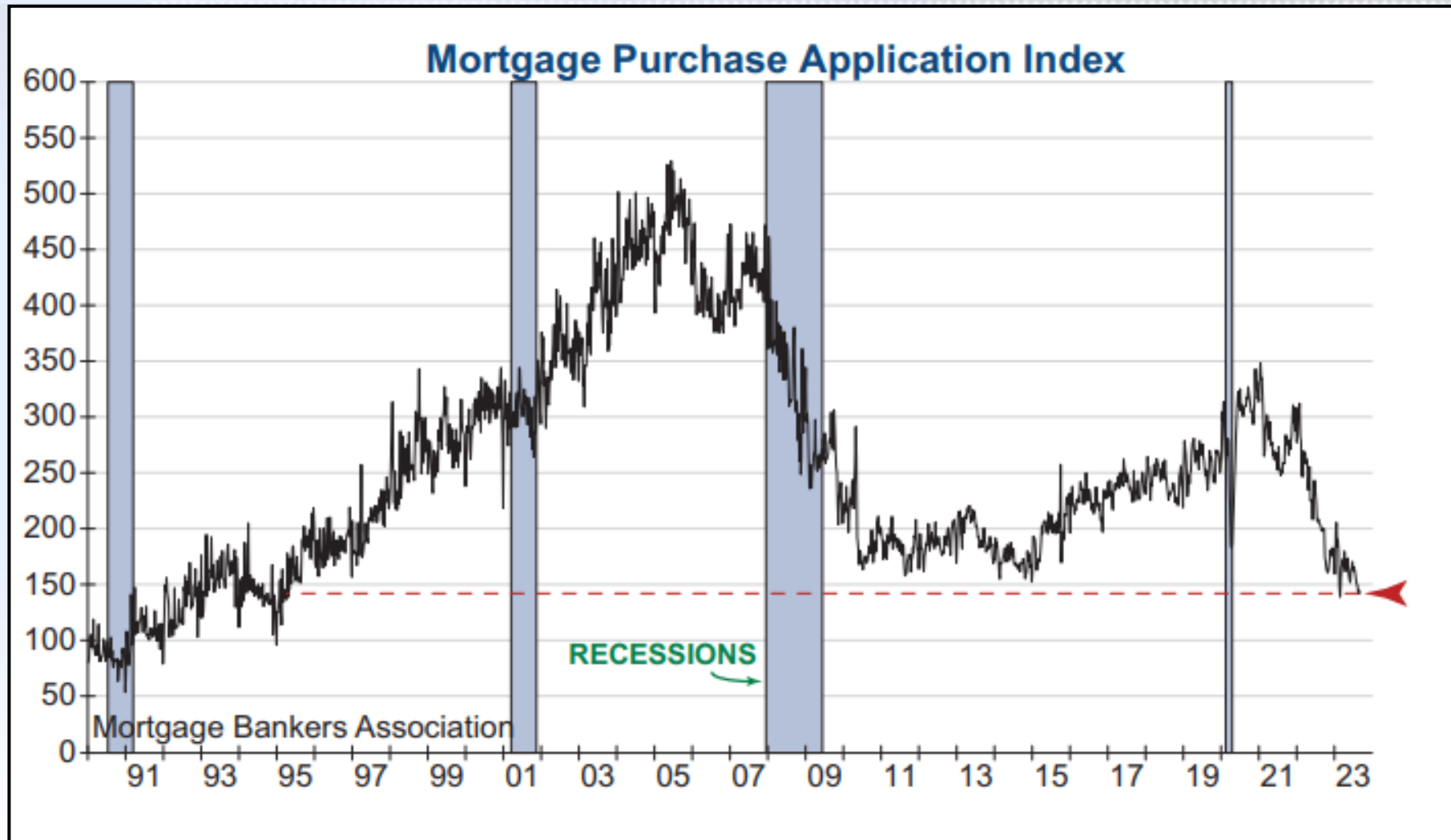
Mortgage Rates Rising



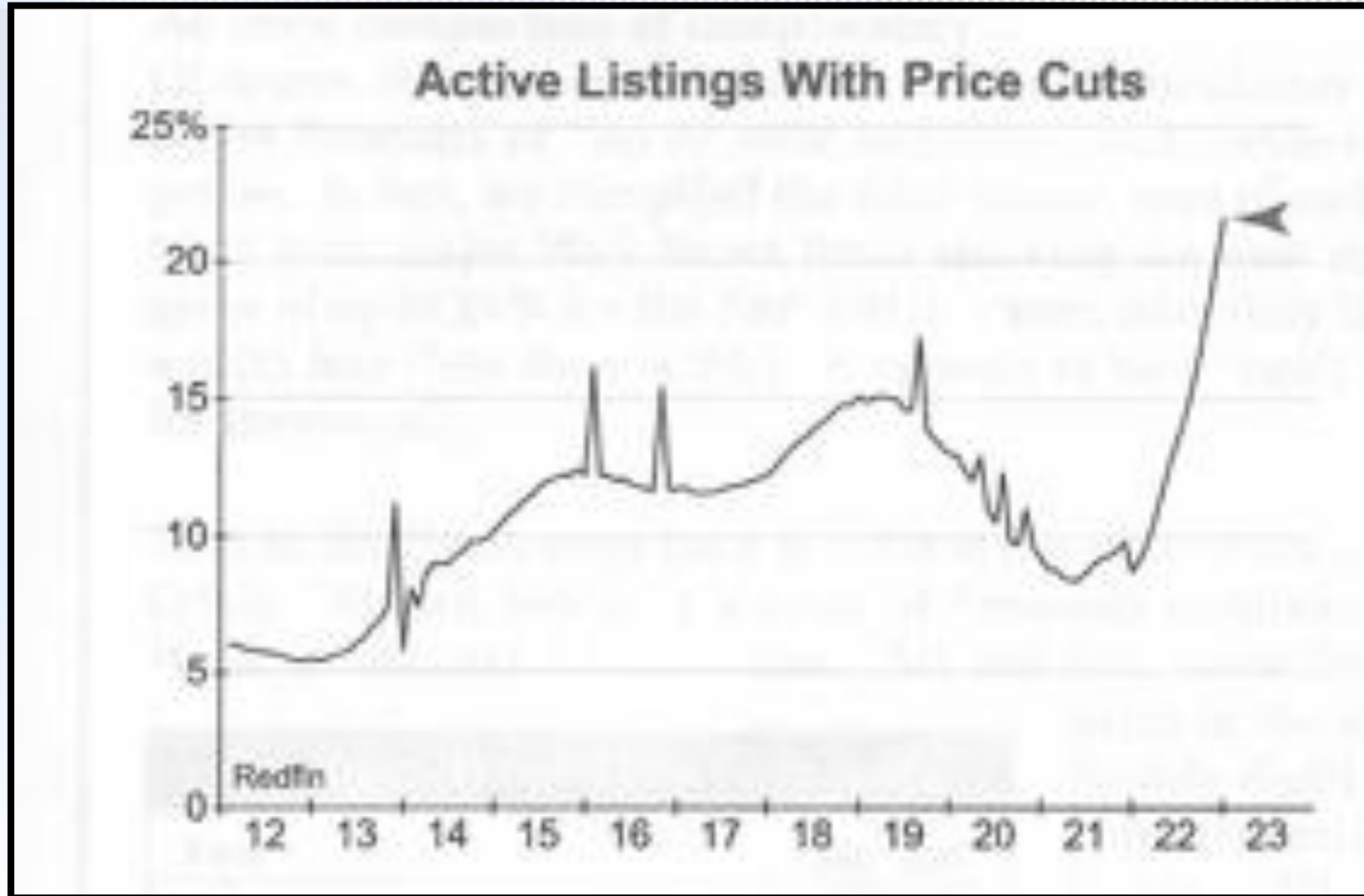
Affordability: Impacted by Rates



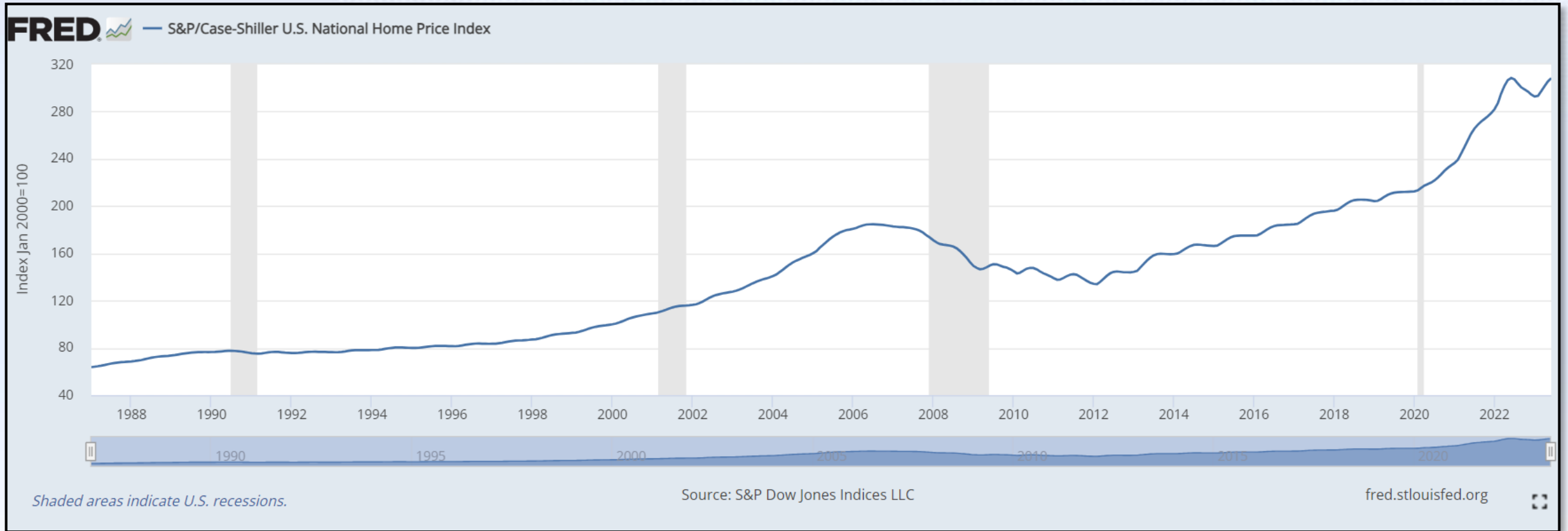
Mortgage Purchase Applications



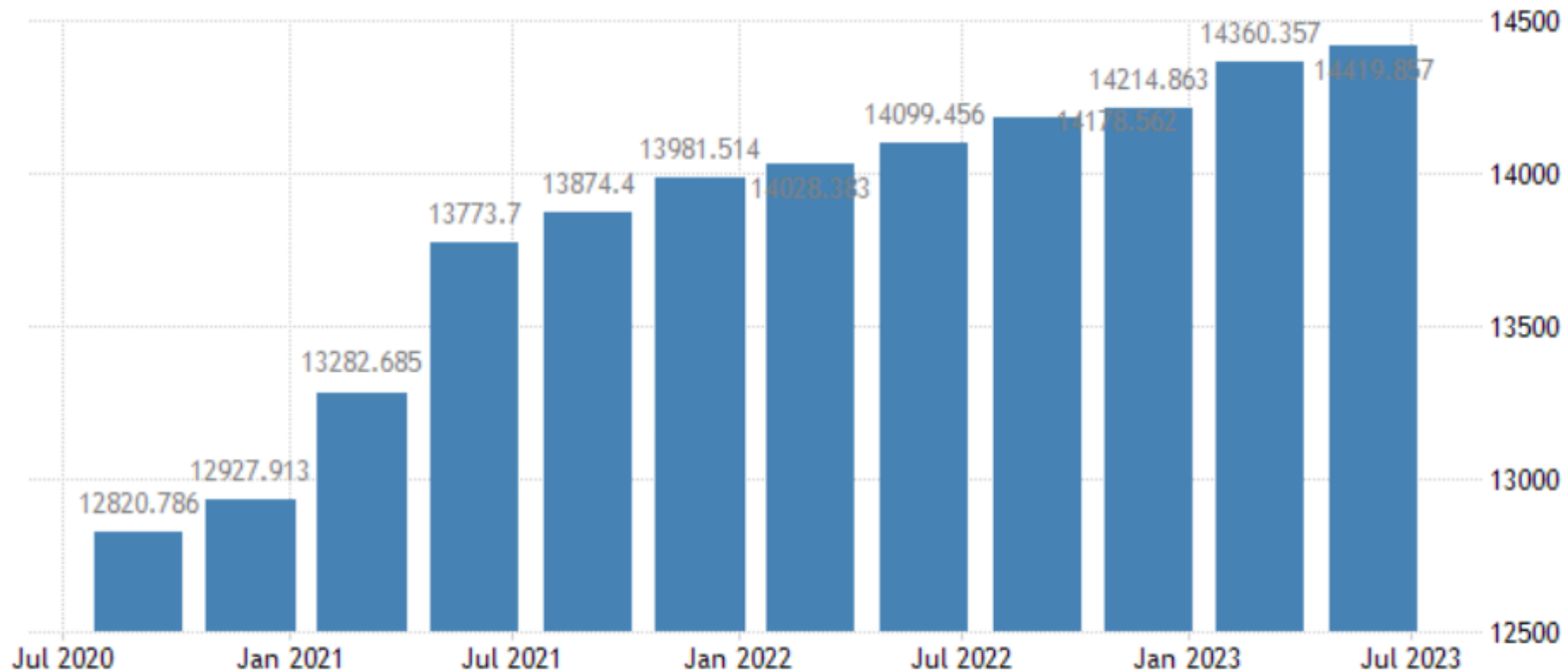
Home Listing Price Cuts



Home Prices Sliding?

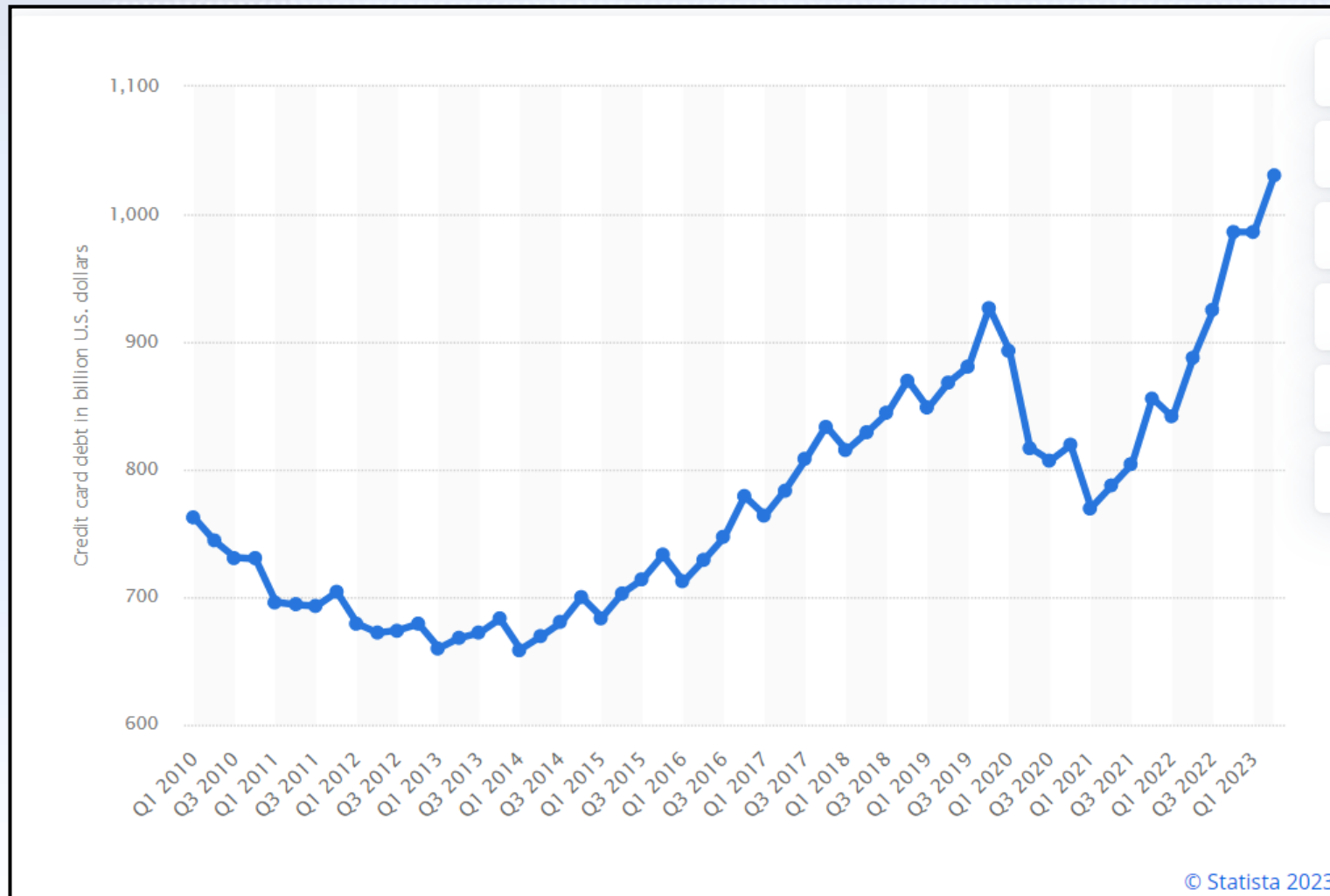


Consumer Spending



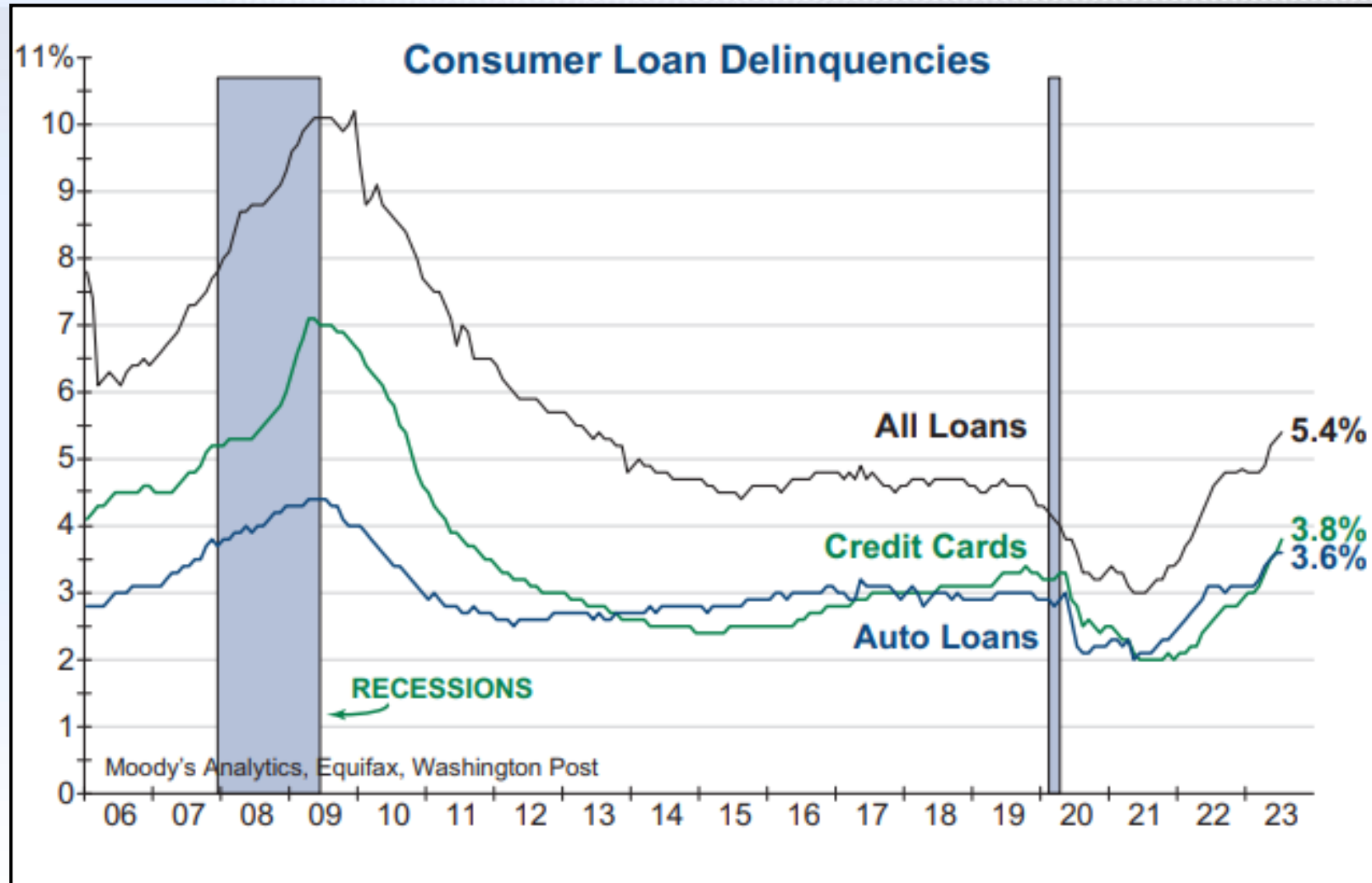
TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

Credit Card Debt Record



**Over
\$1Trillion!**

Consumer Loan Delinquencies

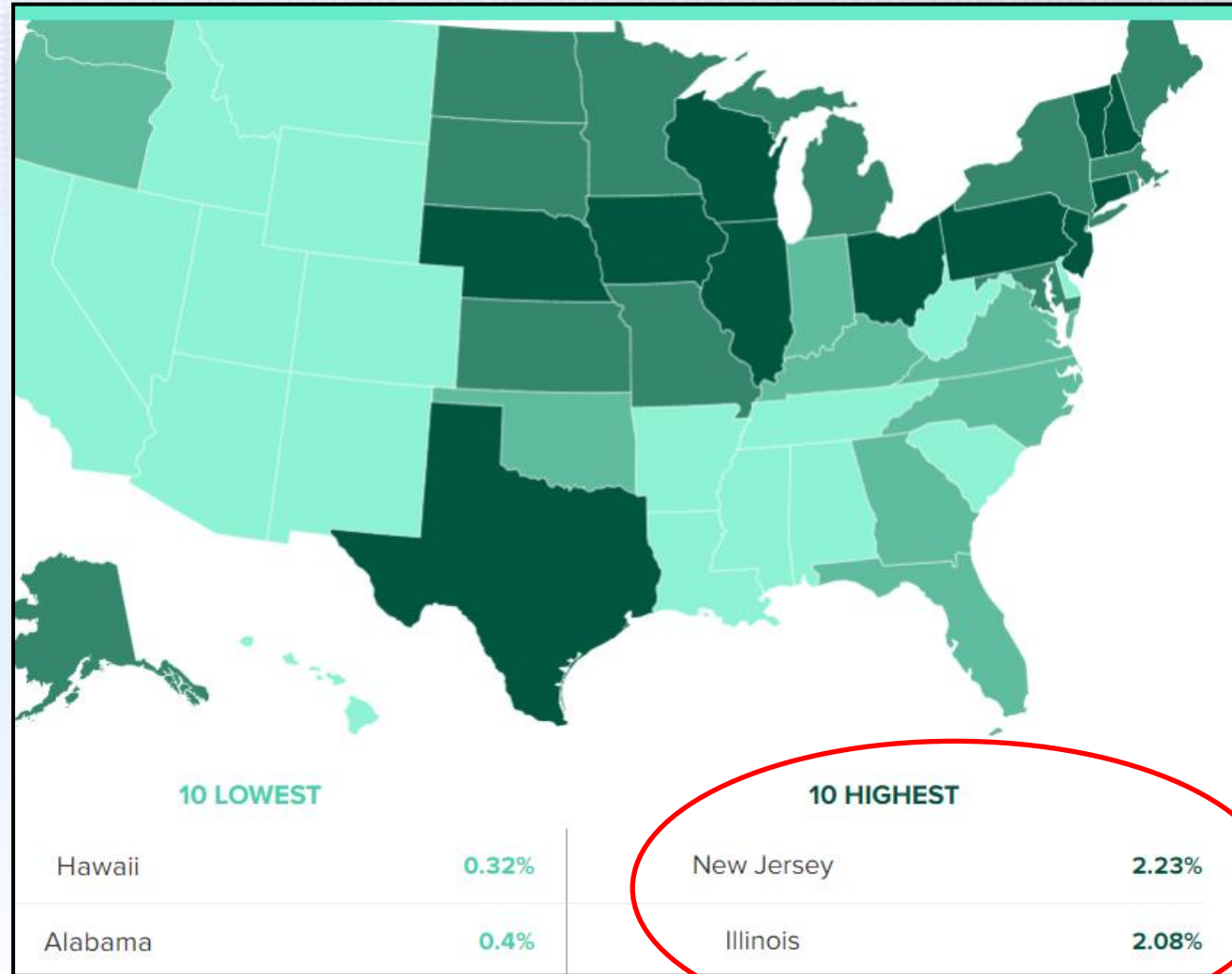


10 Year High!

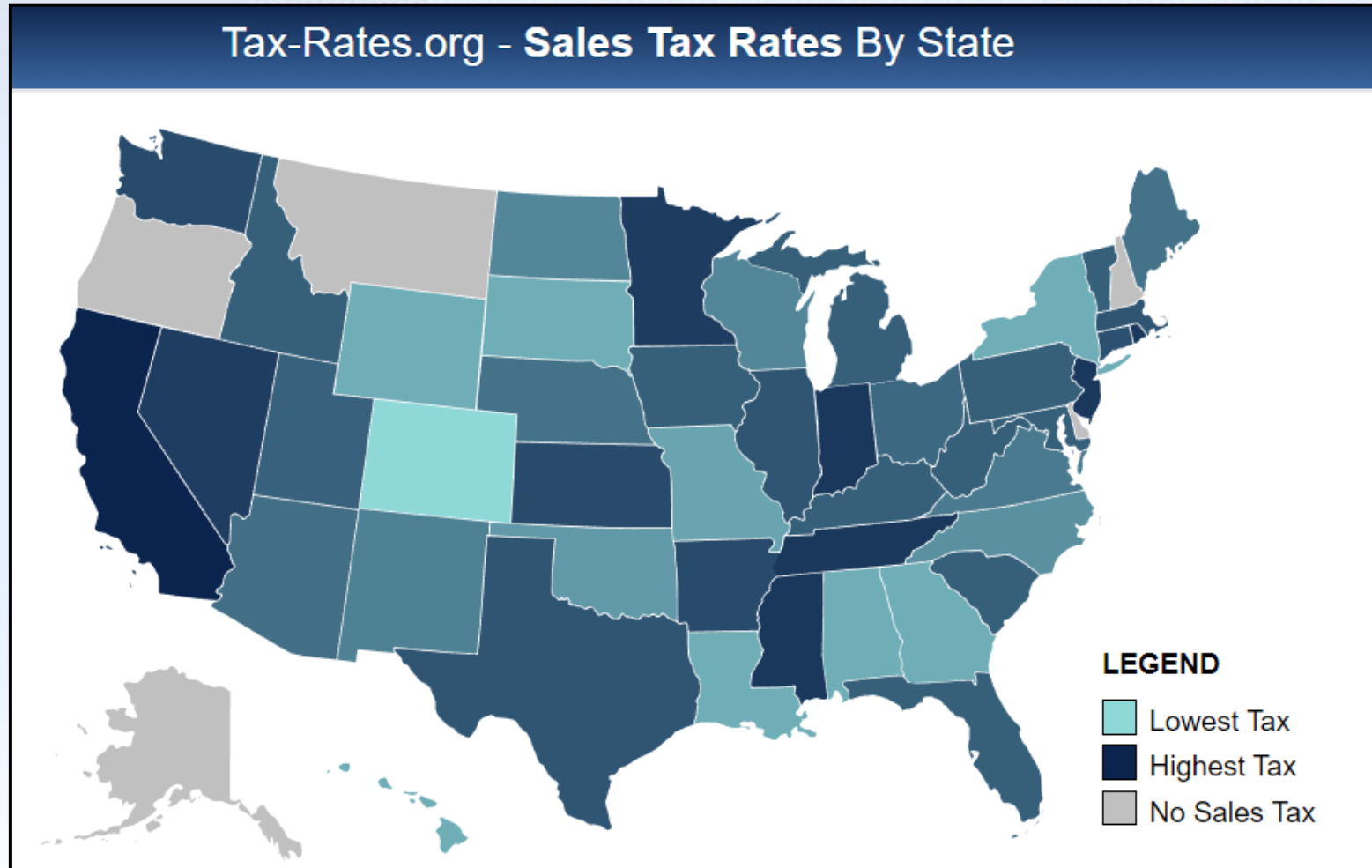
The Savage Truth

Balancing Your Budget

Property Taxes for Revenue?



Sales Taxes for Revenue?



Illinois

6.25% + 1.94%

Federal “Gifts” for Revenue?

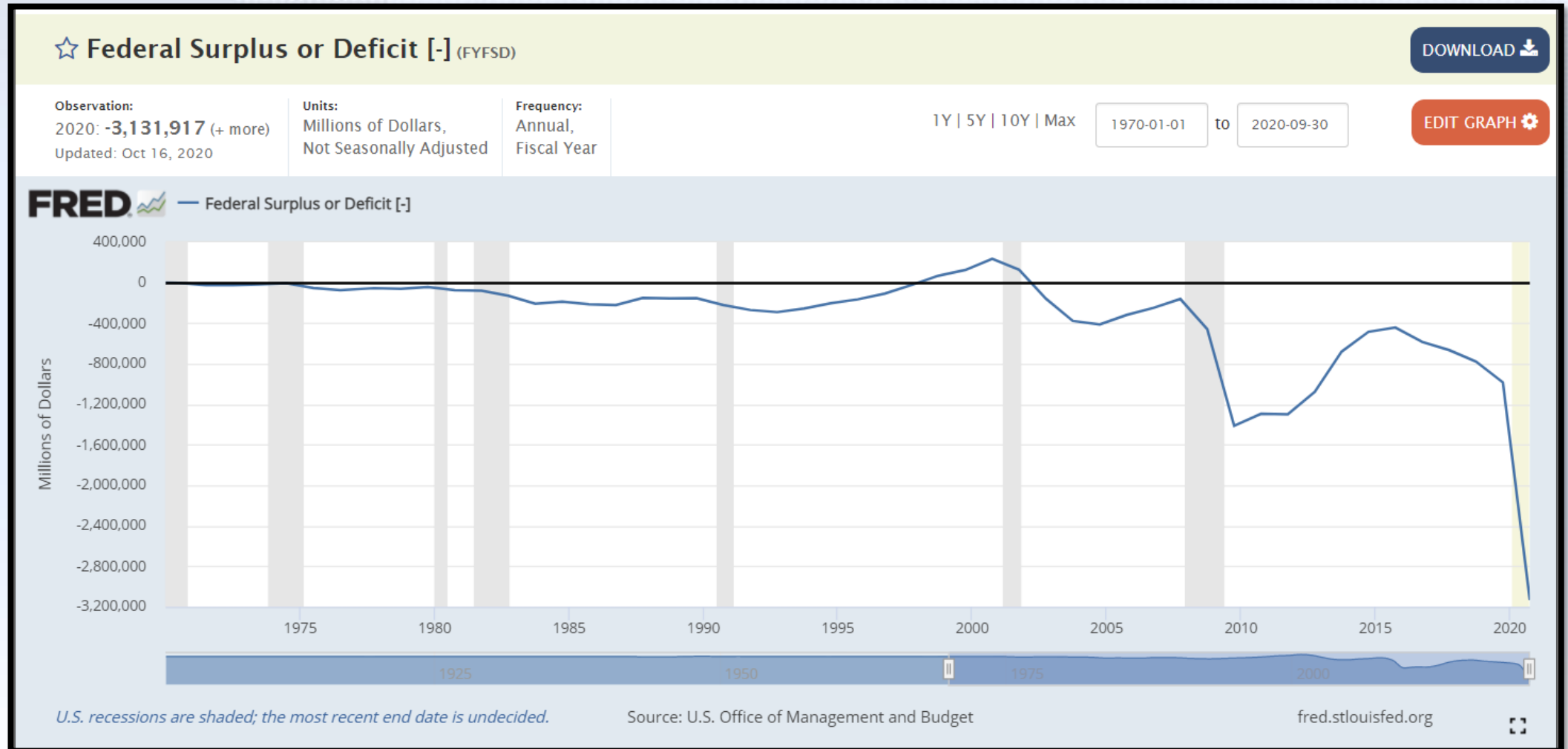
US Published National Debt
\$32,759,252,445,122

The Truth
\$159,672,498,406,000

Each Taxpayer's Share: 952,000

TruthinAccounting.org

Annual Budget Deficits Since 1975



They Can PRINT the Money!

The Savage Truth

Any Good News?

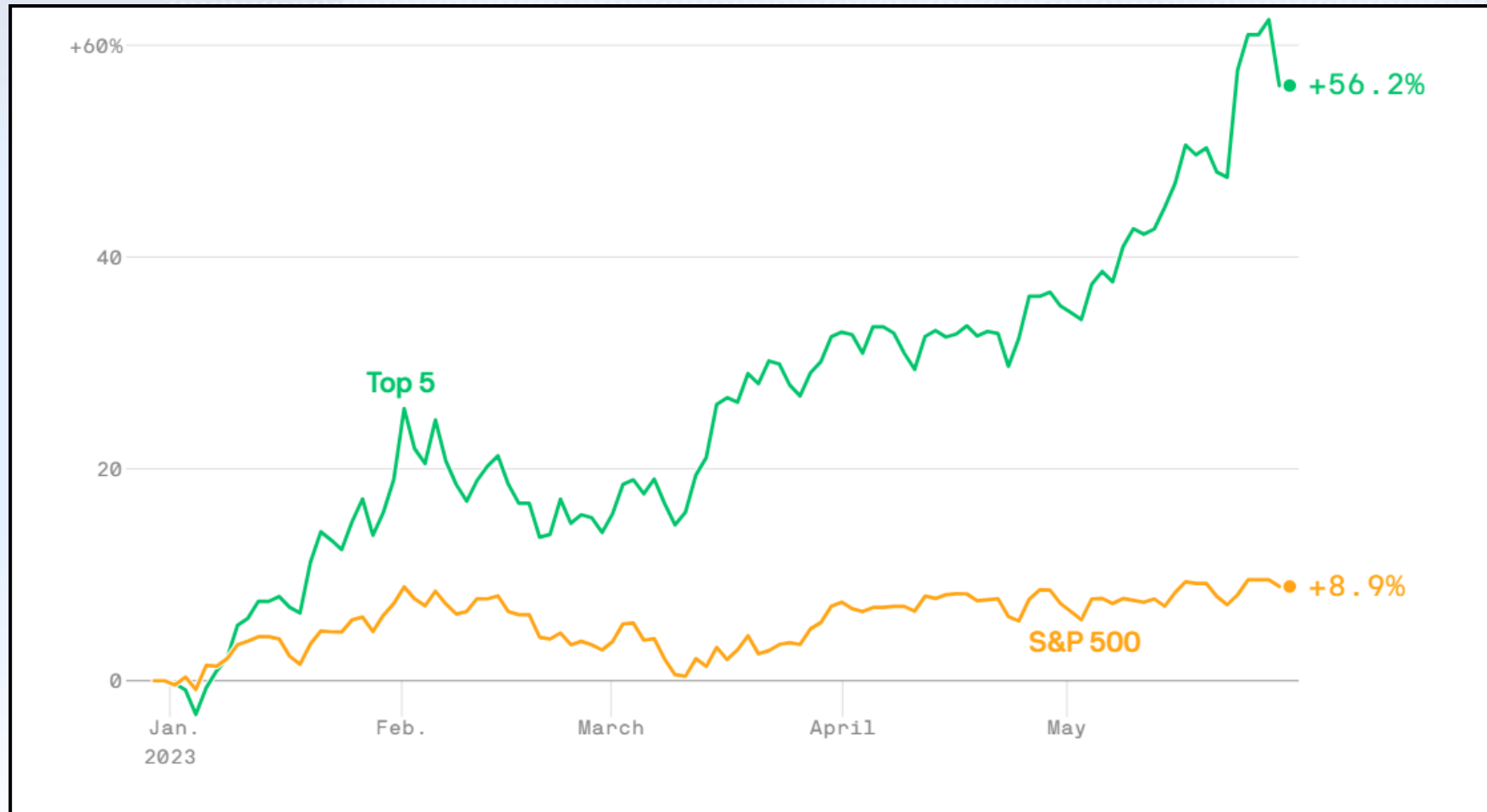
DOW JONES IND. AVG. (10 yrs.)



S&P 500 (10 yrs.)



S&P 500 – Tech Stocks since Jan.



The Savage Truth

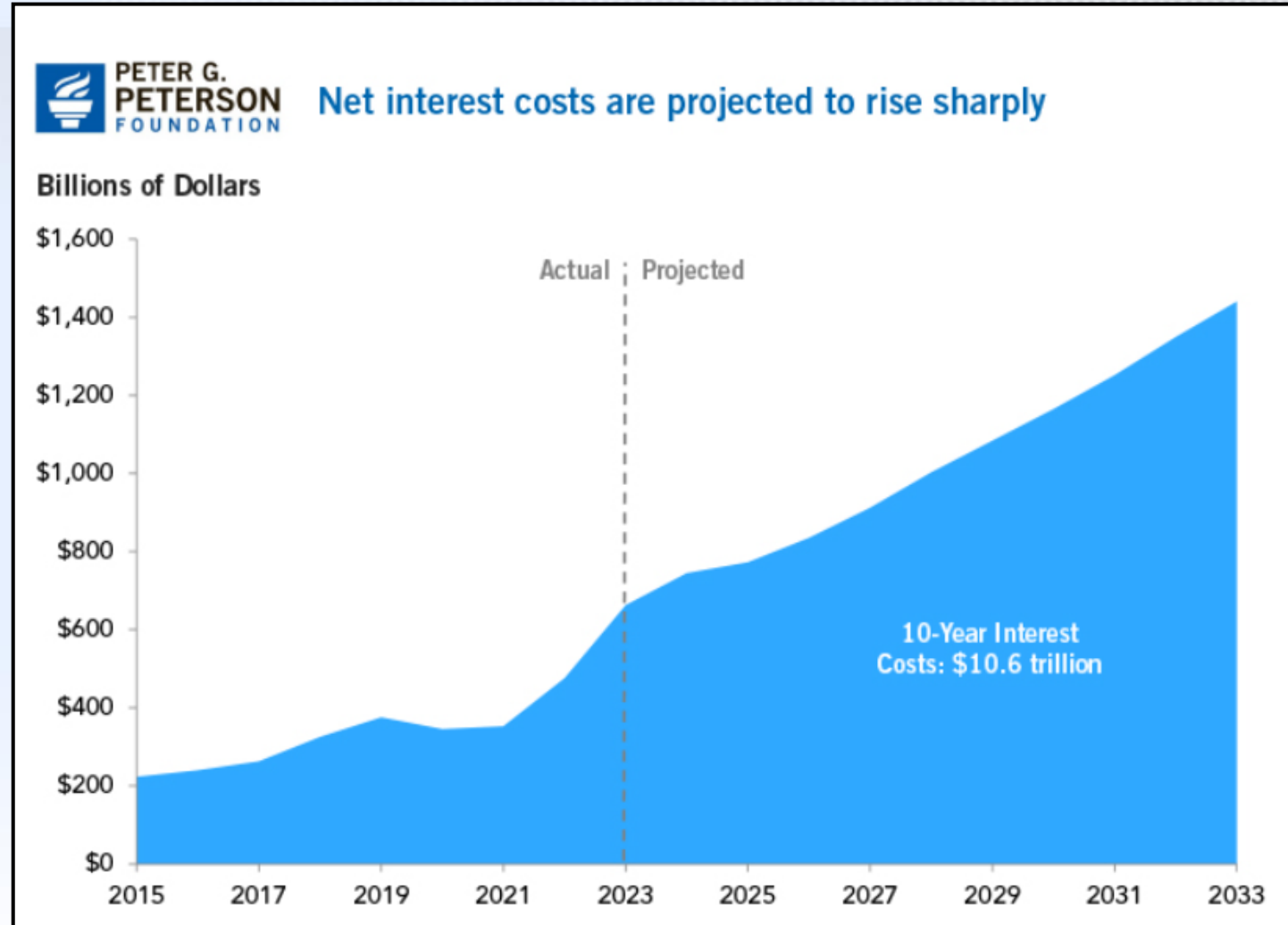
Any Good News?

***SO DON'T COUNT ON STOCKS
TO FUND SPENDING!***

The Savage Truth

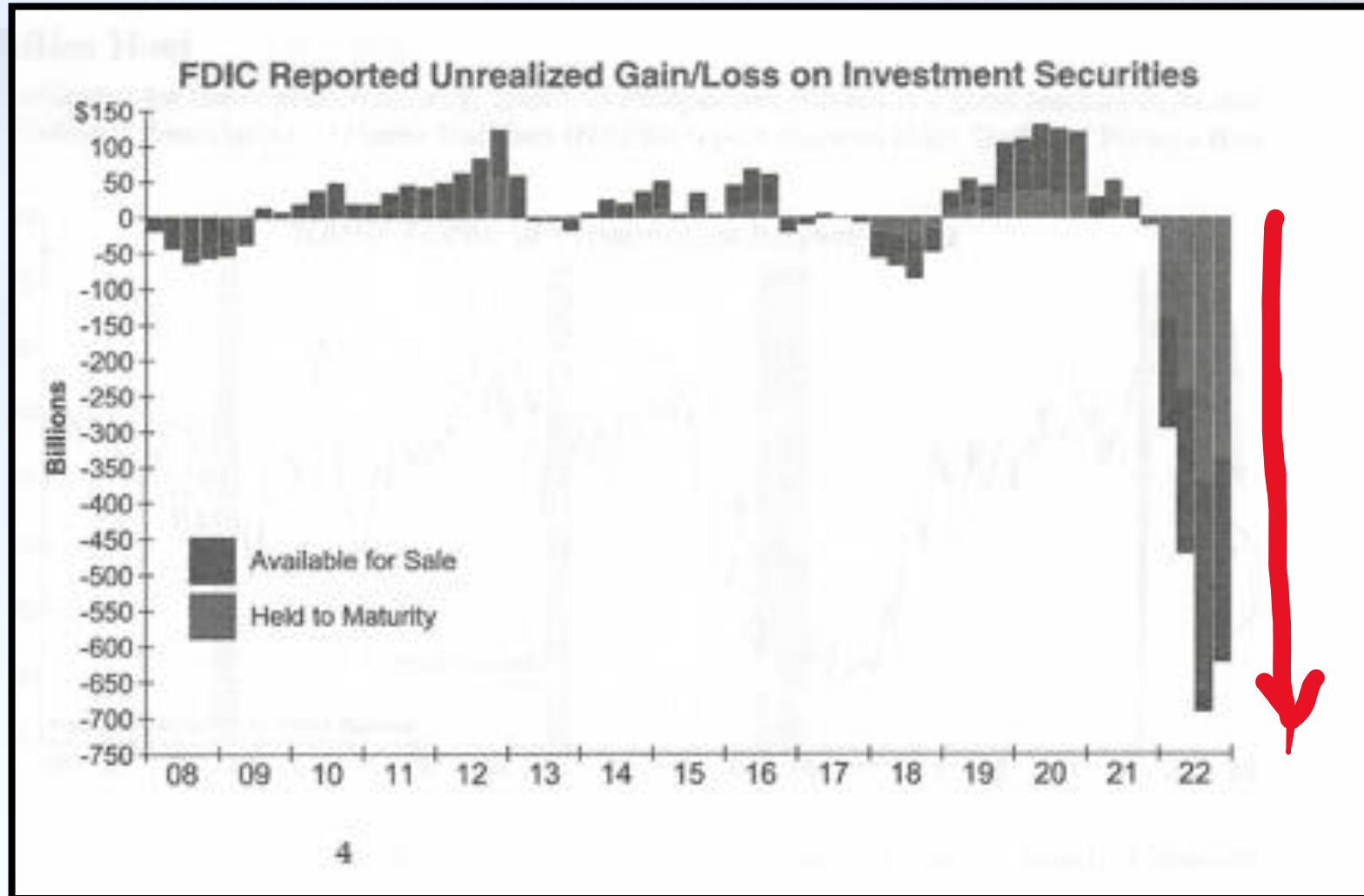
The Impact of Rising Rates

Higher Rates Increase Federal Deficit



Every 1% Increase in Rates Costs \$250+ Billion in Spending terrrysavage.com

The Fed: The Largest Owner of Bonds!



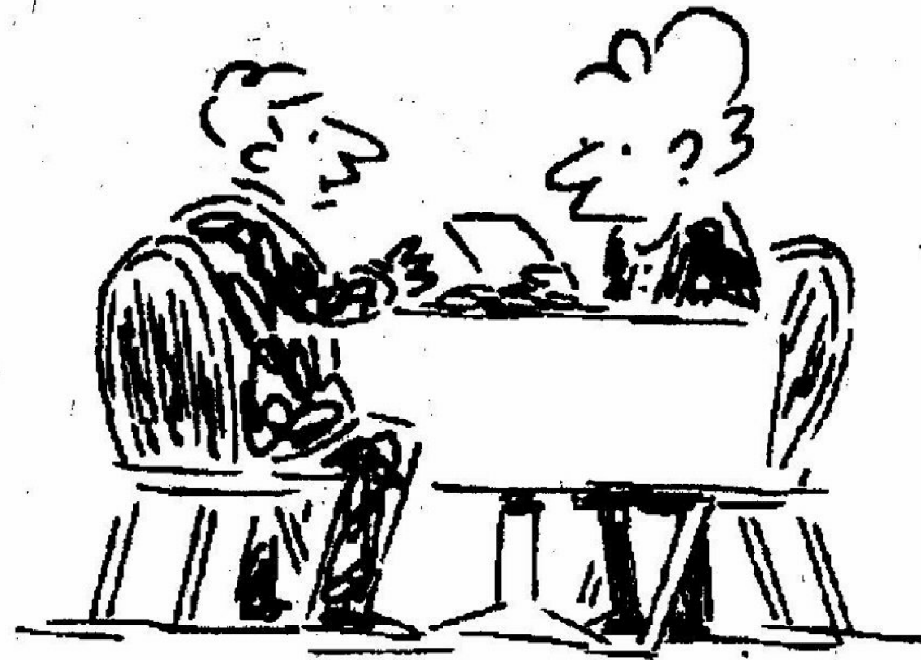
Worried about Bank Balance Sheets?

The Savage Truth

Financial Planning
Begins at Home!

Pepper . . . and Salt

THE WALL STREET JOURNAL



LITZLER

"The financial strategy for my retirement
should count on me still being alive."

HOW LONG WILL I LIVE?

www.livingto100.com

THE LIVING TO 100

Life Expectancy Calculator

By Thomas Perls M.D., M.P.H.



HOME

TAKE THE CALCULATOR

CONTACT DR PERLS

ABOUT THE CALCULATOR

LINKS

 Follow @thperls

To use the calculator, answer all of the questions. You will find that many of the questions are about health-related behaviors that you have control over!

Click to proceed to our life expectancy calculation and detailed personalized recommendations. Once you accept the below terms you will have immediate access to the calculator, its answers and specific feedback.

Birthday:

Gender: ☐ Male ☐ Female

Country:

Postal/Zip code:

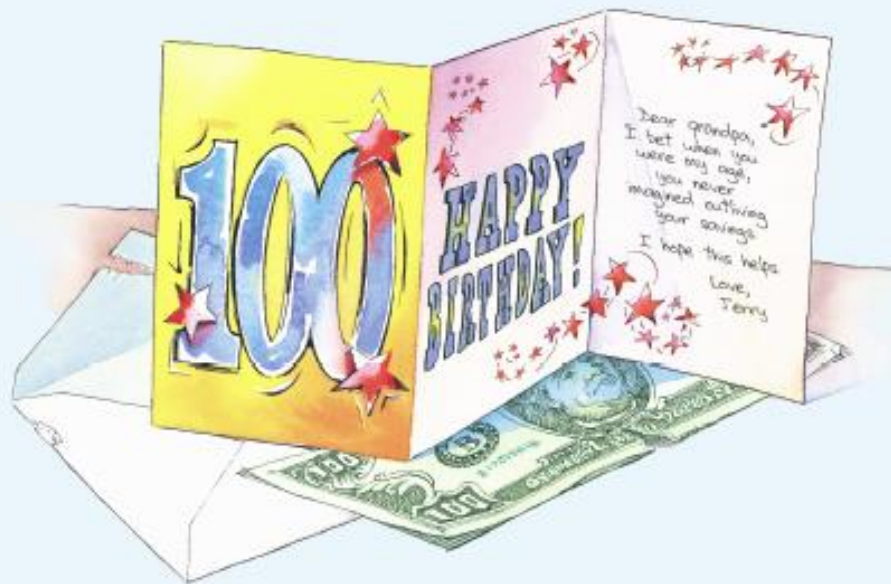
☐ I accept the [privacy policy](#), [disclaimer](#), and [legal statement](#).

 Proceed to Calculator

How long of a retirement *should you plan for?*



CONSIDER THIS: HALLMARK SOLD 85,000
“HAPPY 100TH BIRTHDAY!” CARDS LAST YEAR.



Thanks to modern medicine and healthier lifestyles, Americans are living longer than ever. The average 65-year-old woman can expect to live until 87, and the average 65-year-old man to 84. So it's easy to understand why workers today should plan for a 30-year retirement.

proven way to increase savings. Other innovative approaches companies can use include automatic 401(k) enrollment, sometimes called opt-out plans; automatic increases in contributions as employees get raises; and encouraging both younger and part-time workers to participate. In one study,

HOW MUCH DO I NEED?



Retirement Nest Egg Calculator

See if you're saving enough — and earn AARP Rewards points

*indicates required.

Retirement plan inputs: ^

Current age:*	45	14	39	64	90
Age at retirement:*	67	10	36	63	90
Annual household income:*	\$50,000	\$0	\$100k	\$1m	\$10m
Current retirement savings:*	\$250,000	\$0	\$100k	\$1m	\$10m
Expected income increase:*	2%	0%	7%	13%	20%
Pre-retirement income desired in retirement:*	90%	40%	80%	120%	160%
Years of retirement income:*	35	1	34	67	100

Investment returns, inflation and Social Security: v

7% pre-retirement. 4% in retirement. 2.9% inflation.

The Savage Truth

THE CHALLENGES OF FINANCIAL PLANNING

- Saving for College
- Creating an Estate Plan
- Long Term Care Insurance
- Getting Good Advice

The Savage Truth on College

- **Start Saving EARLY in a 529 Plan**
Money grows Tax-free for college in any state
SavingforCollege.com
BrightStart.com

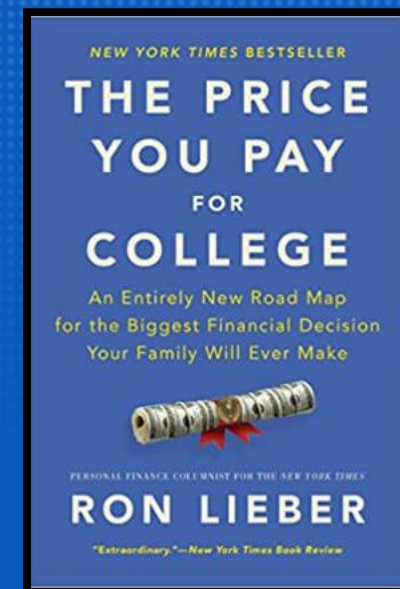
Student Loans are Dangerous!

Read Ron Lieber's book --

Start the discussion early –8th grade!

Parent PLUS loans are the WORST!

- **Student Loan Repayments Resume**
- **New SAVE Plan – income based**
- **PSLF – public service loan forgiveness**
- **RaeKaplan.com**



BASICS OF ESTATE PLANNING

- **Revocable Living Trust**
(re-title assets in name of trust!)
- **Healthcare Power of Attorney**
- **Living will**
- **Pour-over will**
- **Check beneficiaries of IRAs and life policies**
- **Financial Organizer as a check list**

www.Search-Attorneys.com

Our Parents, Ourselves: **Long Term Care Insurance**



THE WIPEOUT COST OF LONG TERM CARE

(Genworth, 2023):

- *Nursing Home* \$ 9,034/month
- *Assisted Living* \$ 4,500/mo
- *Home Care* \$ 5,148/mo

DOUBLE THAT IN LARGE CITIES!

Genworth: 7 out of 10 people will require **long term care** in their lifetime.

LONG TERM CARE INSURANCE

- **Annual Premiums**

Rising Premiums

Wasted if not used

- **Combo Life/LTC**

Lump Sum Deposit or 10 pay

Cost locked in

Death benefit if care not used

800-533-6242

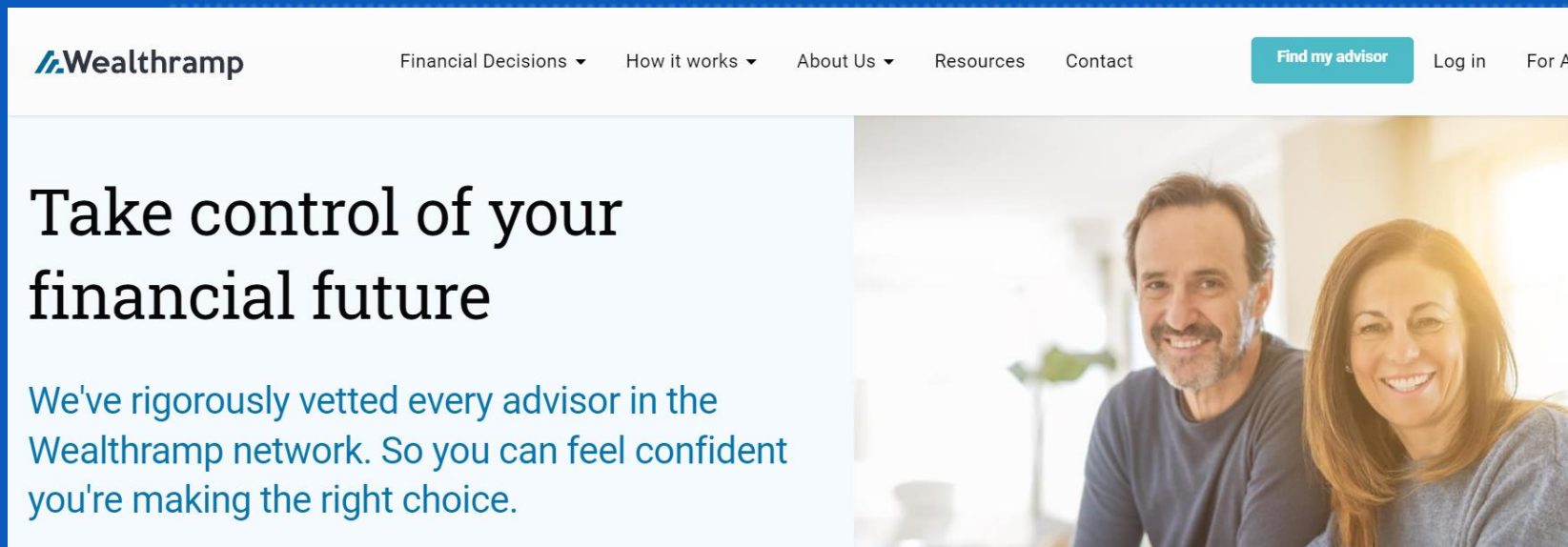
The Savage Truth

Now it's up to YOU!

Do It Yourself: www.NewRetirement.com

The image shows the NewRetirement website interface. The main heading is "Build the financial plan that's right for you". Below it, a subheading says "Take control. Make the right decisions for today's priorities and tomorrow's possibilities." The sign-up form includes an email field with "Terry@terrrysavage.com", a password field with a strength indicator, and a checkbox for "Subscribe to our weekly newsletter". A large orange button says "Get Started For Free →". Below this is a link "OR" and a "Sign up with Google" button. To the right, a laptop displays the NewRetirement dashboard. The dashboard has a sidebar menu with options like "Overview", "My Plan", "Coach", "Scenarios", "Help & Resources", "Events & Community", "Expert Help & Services", and "About". The main content area shows "Plan Wellness" with a "Chance of Success" of 99%, "Your Progress" with a "Plan completion 32%" gauge, "Income vs. Expenses" comparing "Avg. income after 67" at \$6.9K/mo and "Avg. Expenses after 67" at \$4.7K/mo, and a "Digital Coach" section with "Your guide to the planner" and "Your Roadmap".

Wealthramp.com



The screenshot shows the Wealthramp website interface. At the top is a navigation bar with the Wealthramp logo on the left, followed by links for 'Financial Decisions', 'How it works', 'About Us', 'Resources', and 'Contact'. On the right side of the navigation bar are a green button labeled 'Find my advisor', and links for 'Log in' and 'For A'. Below the navigation bar is a main content area. On the left, there is a headline 'Take control of your financial future' in a large, dark font. Below the headline is a paragraph of text: 'We've rigorously vetted every advisor in the Wealthramp network. So you can feel confident you're making the right choice.' To the right of the text is a photograph of a smiling man and woman, likely representing a family or a happy couple, in a bright, indoor setting.

Wealthramp Financial Decisions ▼ How it works ▼ About Us ▼ Resources Contact [Find my advisor](#) [Log in](#) [For A](#)

Take control of your financial future

We've rigorously vetted every advisor in the Wealthramp network. So you can feel confident you're making the right choice.



Fee-only, FIDUCIARY advisors

Terry's Friends Talk Money Podcast named to Top 10 by U.S. News

TERRYSAVAGE.COM

The Savage Truth on Money, Markets, and the Economy
The Moneylady®

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Finance
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Money"
podcast

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BY CATEGORY](#)

Financial Links &
Resources

THE SAVAGE TRUTH ON MONEY

terry@terrysavage.com

terrissavage.com

ORDER an Autographed
Copy of **Terry's New Book**

Personal

FINANCIAL ORGANIZER

Name _____ Date: _____

Print out this form, fill in the spaces and store it in a safe place, along with other important documents – but *not* in a safe deposit box. Tell your spouse, adult child, or trusted friend, where this information could be found in an emergency.

Personal Information _____

Your Name _____ Spouse/Partner _____

Place of Birth _____ Place of Birth _____

Social Security # _____ Social Security # _____

Children

Name _____ Birth Date _____ Social Sec. No. _____

Name _____ Birth Date _____ Social Sec. No. _____

Name _____ Birth Date _____ Social Sec. No. _____

Name _____ Birth Date _____ Social Sec. No. _____

Trusted Advisors (Name, phone number, e-mail or address)

Physician _____

Physician _____

Attorney _____

Accountant _____

Financial Planner _____

Bank Accounts (Financial Institutions, Account Numbers, Contact name/number, or user ID/online password)

Institution _____ Acct. # _____ Online ID/Password _____

Institution _____ Acct. # _____ Online ID/Password _____

Institution _____ Acct. # _____ Online ID/Password _____

Institution _____ Acct. # _____ Online ID/Password _____

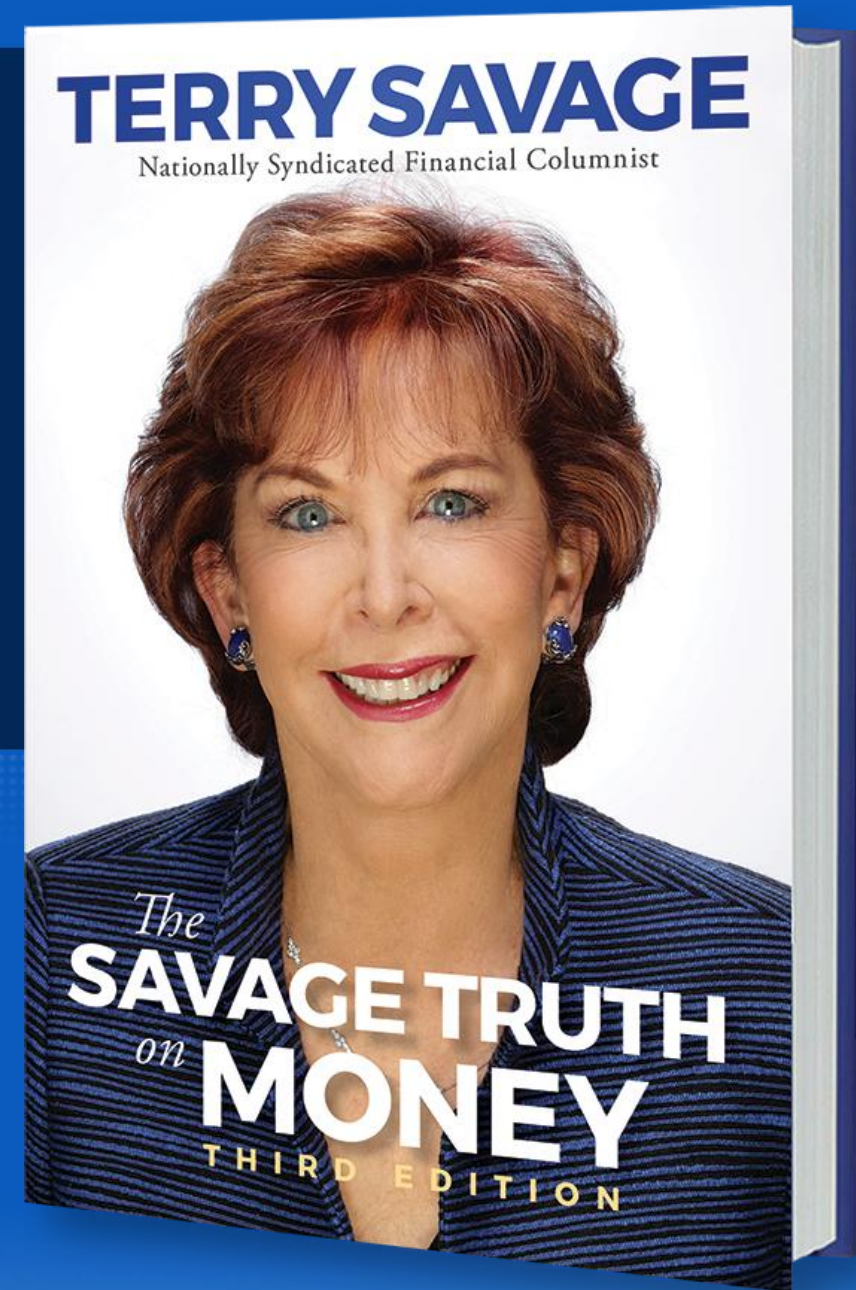
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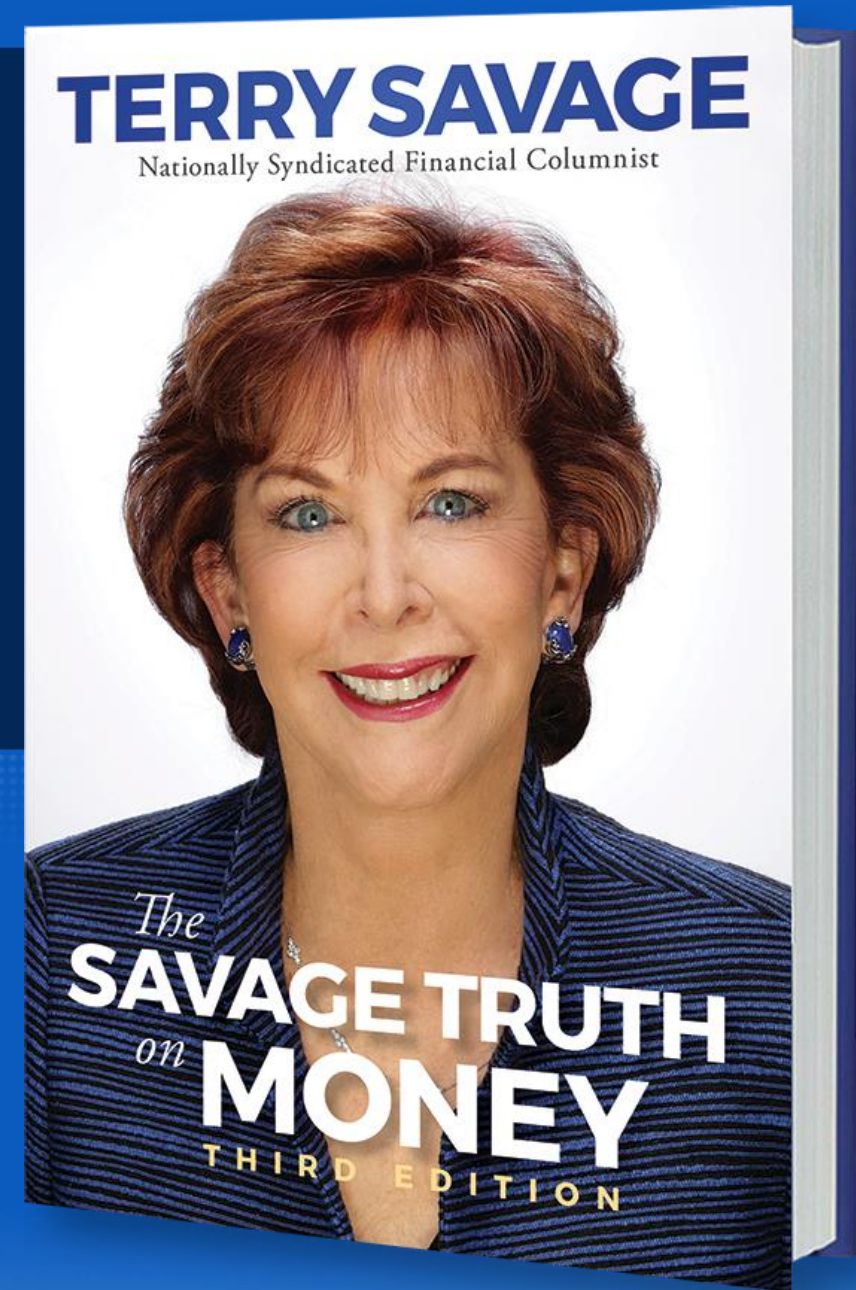
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