

UPDATES FROM YOUR PARTNER

LIFE WELL PLANNED



Barbara spent a week this summer in Ft. Myers, FL serving food to a group of high schoolers that helped clean up from Hurricane Ian.



Turner's oldest son Winston is off to kindergarten!



The Betts family has taken up the fast-growing sport of Pickleball!



Lane's grand-dog Rosie striking a pose for the camera.



Bill is very thankful that car seats have come a long way since 1940!



Piedmont Wealth Advisors was proud to support the 2023 Wyndham Championship, one of the oldest events on the PGA Tour.

MARKET UPDATE

from Charles Betts
SENIOR VP, INVESTMENTS



Concentrated Stock Investments

Our fundamental belief in successful long term investing is to own a high quality, balanced and diversified portfolio over a long-time frame to reap the rewards of stock ownership. In some situations, a client can accumulate a large holding in one particular company resulting in a “concentrated” position in a single stock. This may be due to inheriting stock from a parent or grandparent or employees receiving stock options and stock awards from their employer. In general, once a single company stock in a portfolio reaches approximately 10% of the total assets, we consider that to be a concentrated position.

Concentrated positions can be an item for attention because stocks inherently carry market risk and having so much in one company can magnify that risk.

During the planning process, we often have conversations with clients who find themselves with concentrated positions. These conversations often revolve around their feelings for the company as part of their investment strategy, their desire to reduce the exposure and the time frame and tax consequences for doing so.

Emotions: For some it is difficult to consider letting go of a company that may have some emotions tied to it, even if the underlying fundamentals of the company don’t support owning it for the long term.

Taxes: While no one particularly likes to pay taxes, consider that a large price decline in that one stock holding could have a far greater negative impact on your portfolio value than the tax liability on the gains on the shares you sell.

Overconfidence: Owning a company for a long time can lead to overconfidence in that company’s future going forward.

Unfortunately the stock market is littered with names that were once titans of their industry, yet rapidly lost their value. Think bank stocks in 2008-2009, Pan Am, Woolworth, Blockbuster, Texaco are just a few familiar names that no longer exist.

There are several alternatives for reducing concentrated positions to include the outright sale of shares, using shares for Charitable Giving, and more complex strategies to include using options as a hedge. Whatever approach works best for you, the most important step is to recognize the concentration and the potential risks to holding a concentrated position in a single company. As someone once said, “concentration may be a good way to build wealth, it’s not necessarily the best method to preserve wealth”.

TIPS & TRENDS

from Bill Krebs
SENIOR VP, INVESTMENTS



• Quick reminder: Health insurance

- o As a Raymond James client, you have complimentary access to a dedicated licensed agent to assist with both health insurance for under age 65 and Medicare planning.
- o This service has been very helpful for our clients health insurance and Medicare planning
- o Please let us know if we can introduce you to ClearMatch who is partnering with Raymond James to help our clients in this area.

For What It's Worth

Learn how to plan, invest and live smarter with the Raymond James For What It's Worth podcast. Featuring insights from leading professionals, For What It's Worth brings you the latest in wealth management, market commentary and engaging research. Hear industry specialists share resourceful insights on economic events, longevity and retirement planning, growing your financial legacy and more in each discussion-based episode hosted by Paige Lenssen, CFA. Whether you already work with a trusted financial advisor or currently manage your own investment plans, For What It's Worth provides the engaging wealth management information you value as you pursue your most important goals.

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How Much Cash
to Hold?
from Turner Krebs
FINANCIAL ADVISOR



If you rewind a couple of years and think about cash yields, there just wasn't much there. The under-the-mattress option was close to keeping up with supposedly high-yield cash accounts.

Today's cash landscape is almost unrecognizable. Some holders of \$100,000 in cash/cash alternatives are seeing annual interest build up in excess of \$5,000. We've helped many clients navigate the options like CD's, high-yield savings accounts, money market mutual funds, etc.

So how much cash should you hold? We're happy to discuss, and here are a few quick thoughts:

- **3 Months' Worth of Expenses** – Even the cash haters out there should have a basic emergency fund.
- **4-8 Months of Expenses** – A larger emergency fund may be wise if your income is volatile or uncertain, or if your insurance program is less than stellar.
- **12+ Months of Expenses** – Many retirees appreciate knowing their expected withdrawals over the next year+ are already set aside in cash.

Does it make sense to hold much more cash than this as a strategic long-term holding? Perhaps in a few cases, although we'd caution against getting too comfortable in cash and neglecting long-term investments that can outpace inflation.

Introduce us!

Thanks in advance for spreading the word and let us know if there's someone we should contact or add to this email list.

OUTSIDE THE BOX
from Charlie Betts
FINANCIAL ADVISOR



Featured App: Splitwise

Splitwise is a free app that makes it easy to split bills and expenses. Enter shared expenses into the app and Splitwise does the rest - showing everybody what they owe. You can indicate what expenses you were not a part of and Splitwise will do all of the recalculations for you. It even has a "fairness calculator" that uses crowdsourced data to give a neutral opinion about situations when you can't decide what is fair.

Data is stored in the cloud so you can access it on your phone or on your computer. The app integrates with Venmo and PayPal, so paying someone back is simple and painless - much better than handing out paper IOUs!

DETAILS
from Lane Bauserman
CLIENT SERVICE ASSOCIATE
& Barbara Norwood
CLIENT SERVICE ASSOCIATE



Required Minimum Distributions/Qualified Charitable Donations

It's that time of the year again! Time to start thinking about RMD's/QCD's. December is the busiest time of the year and processing times can be slower with all the demand. We will be reaching out to you starting in October regarding these distributions.

Trusted Contacts

Do you have a Trusted Contact listed on your account? The purpose of the Trusted Contact is to provide us someone we can call if a client is unreachable or there are concerns about cognitive abilities.

LIFE WELL PLANNED.

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