RAYMOND JAMES PRESENTS

WORTHWHILE

Winter 2022-2023

A publication of thoughtful insight dedicated to the life well planned.

Content confident & comfortable

in your own company p16

RAYMOND JAMES

It’s our pleasure to share with you the latest edition of WorthWhile.

This quarter’s Cover article takes a look at the joys of living alone as you age, along with a few planning challenges that may crop up. The Family article showcases screen-free, science-based ways to engage loved ones of all ages. As it turns out, a digital detox is better for everyone’s brain! Lastly, there’s a new section, Point of View, that offers balanced commentary and exclusive thought leadership from the knowledgeable professionals at Raymond James. We encourage you to check it out and let us know what you think.

We hope you enjoy the magazine and find something worthwhile to share with friends and family. We wish you and yours good health, happiness and prosperity this season and always. And we look forward to hearing your thoughts on this or anything else you’d like to discuss. Please feel free to reach out anytime.

Letter from the editor

Expanding your flock

Welcome, winter! This quarter's **Cover article** takes a look at the joys of living alone as you age. It comes with independence, as well as a few planning challenges. Here we offer ways to build your support system and friendship circles to fill in any potential gaps so you can continue to live alone and love it.

The **Family article** showcases screen-free ways to engage loved ones of all ages when you do come together, as well as the science behind the need for a digital detox. It's actually better for your brain!

Lastly, we'd like to introduce you to our newest section: **Point of View**. Here you'll find balanced commentary and exclusive thought leadership from the knowledgeable professionals at Raymond James. The collective insight will offer a glimpse into the markets and sectors; global and domestic economies; industry innovations; and/or the investment landscape each quarter, touching on how it impacts investors' lives and money.

We welcome any suggestions you may have as we evolve the magazine to better suit your needs. We wish you and yours health, happiness and prosperity this season and always.
See you in the spring!

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Email us

WorthWhile wants to hear your thoughts. Please email worthwhile@raymondjames.com. Your email address will not be shared.

Allen G. noted a typo in the fall 2022 Cover story. Part of the Federal Reserve's mandate is to maximize employment, not unemployment. We regret the error.

Point of View

Successful financial planning begins with perspective. Each quarter, Point of View offers insight into the economy, investment landscape or specific industries from the professionals at Raymond James.

This quarter: Six reasons the Raymond James Investment Strategy Committee doesn't think we're in a recession. Yet.

Technically speaking

Even though we experienced at least two consecutive quarterly declines in gross domestic product (GDP) in 2022, that's not what makes a recession. At least not officially. The National Bureau of Economic Research (NBER) declares the start and end dates for recessions, defined as "a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production and wholesale-retail sales." And the NBER may not call it until a year or so after the fact.

Predicting recessions is difficult for several reasons, including the thankfully small sample size we've experienced historically. The slope of the yield curve (the difference between long- and short-term interest rates) is the best single predictor. The unemployment rate is a lagging economic indicator, but it can be useful in determining whether a recession has begun.

There are two ways to bring the unemployment rate up. The first is an increase in the labor force participation rate, which the Federal Reserve (Fed) doesn't control. Unemployment is low today because the labor force participation rate is too low, even with firms increasing wages and benefits to attract new workers or poaching existing ones from competitors.

The Fed, however, can increase the federal funds rate enough to generate a recession. However, we are talking about a true recession, not the one that "did not occur" during the first half of 2022.

All expressions of opinion reflect the judgment of the Investment Strategy Committee, or the Chief Investment Office, and are subject to change. Past performance may not be indicative of future results. There is no assurance any of the trends mentioned will continue or forecasts will occur. This information should not be construed as a recommendation. The foregoing content is subject to change at any time without notice. Content provided herein is for informational purposes only. Bond prices and yields are subject to change based upon market conditions and availability. If bonds are sold prior to maturity, you may receive more or less than your initial investment.

Eyes on labor 1

The Raymond James Investment Strategy Committee contends the U.S. economy did not experience a recession during the first half of 2022, as the labor market showed strength despite two consecutive negative GDP reports. An increase in the labor force participation rate would be a best-case scenario for both the Fed and the markets, as the rate of unemployment would increase, reducing pressure from higher wages on inflation.

2 Higher for longer

The Fed's most likely path is to increase interest rates until the economy falls into a recession. The risk is that the Fed overplays its hand and increases the federal funds rate more than necessary to bring inflation down.

The second path, however, is to patiently allow the current increase in rates, plus the ones baked into market expectations, to do their job. However, for this strategy to be successful, it would need help from the labor force participation rate. But wishing for this strategy to work its magic is close to asking for a fairytale ending for this highly unusual business cycle.

DID YOU KNOW?

The slope of the yield curve is considered a reliable predictor of recessions. A **flattening curve** is consistent with a slower rate of economic growth. An **inverted curve** (short-term rates higher than long-term ones) is a strong signal of a pending recession, but it typically shows up a year or so before a downturn. An inverted curve implies that short-term interest rates will decline because the economy is expected to fall into a recession and the Fed will likely respond with cuts.

3 Mixed messages

The Fed's substantial tightening should slow economic growth in 2023. While the Fed is tightening aggressively, the Raymond James Investment Strategy Committee anticipates a mild recession starting in the first quarter of 2023 and ending in the third quarter, given the relative strength of the consumer, healthy job growth and no major imbalances in the economy. Though any downturn is likely to be accompanied by a tepid housing market, elevated energy prices and weak consumer sentiment.

Accentuating positives 4

The economy seems unlikely to experience a severe recession as there are no "excesses" like excessive leverage, over hiring or bubble-like valuations (e.g., dot.com and housing bubbles). Bonds ought to provide some buffer if yields fall amid a struggling economy. Treasury yields historically tend to peak near the end of the Fed's tightening cycle.

5 Mild bumps ahead

Falling commodity, goods and food prices; improved supply/demand imbalance; lower wage pressures; and decelerating rents as we go into next year should help inflationary pressures subside. However, the path is unlikely to be quick or smooth.

The takeaway 6

The key question is not whether we are in a recession now, but how severe the one we are likely to experience in 2023 could be. The recession is likely to be mild but is predicated on the assumption that no additional shocks will affect the economy, and that the Fed won't need to raise the fed funds rate beyond its current forecasted terminal rate of 4.5%. The Fed takes the lead in countering recessions. Lower short-term interest rates hurt savers but are the first line of defense in a downturn, reducing borrowing costs for consumers and encouraging bank lending.

"It is understandable that investors are growing weary. During times of uncertainty, it can be difficult to imagine anything but the worst-case scenario. While our outlook for the next 12 months isn't without challenges, we do not think a severe economic downturn and continued weakness for the major asset classes is what's to come."

– Raymond James Chief Investment Officer Larry Adam

"We believe that the U.S. economy could go back to pre-pandemic conditions with lower rates of inflation once all the supply conditions come back to more normal levels."

– Raymond James Chief Economist Eugenio J. Alemán, Ph.D.

LEARN MORE

Glean more insights from Investment Strategy Quarterly

There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices rise. Treasury bills are certificates reflecting short-term (under one year) obligations of the U.S. government. Investing in commodities is generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. Investing involves risk and you may incur a profit or loss regardless of the strategy selected.

Worth a Look

A compendium of fresh looks and new ideas

Find your way in style

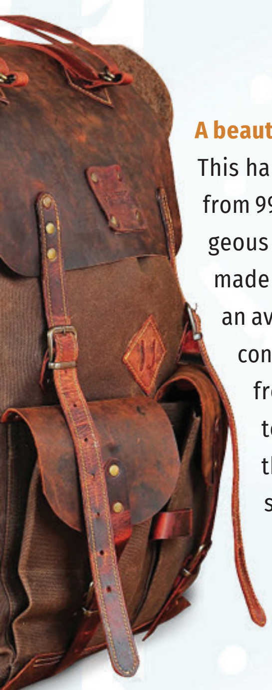
Never lose sight of your horizon – or miss a chance to behold beauty. For those who seek adventure and class, this sublime pocket watch-style Half Hunter compass from Dalvey is sure to please. Established in 1897, their tradition of creating functional, wearable art is expressed brilliantly in stainless steel. No matter where you're heading, you'll be sure to turn heads when you open this compass's crystal lid, exposing the precision-machined engravings and luxury dial. Find your direction at dalvey.com.

A hot commodity

If your idea of a backyard firepit is anything short of this captivating blend of raw elements and graceful form, it might be time to reconsider where you light the kindling at your next outdoor soiree. With the Dewdrop fire pit from Glowbus, you'll bring this stunning sculpture to life with flickering flames from your not-so-ordinary campfire as they dance between flowing pillars of durable corten steel. Ignite your backyard escape at designpublic.com.

Connected to the stars

No matter how far you wander, you need not stray out of reach. For those who dare travel beyond the modern cell tower, Garmin has created the inReach Mini. This pocket-sized satellite communicator can send and receive calls, text messages and emails anywhere on the globe. An advanced network of satellites forms a grid of 100% pole-to-pole coverage. You'll also have 24/7 access to emergency SOS, bringing a globally connected safety net to all your adventures. Free yourself from the tethers of civilization at garmin.com.

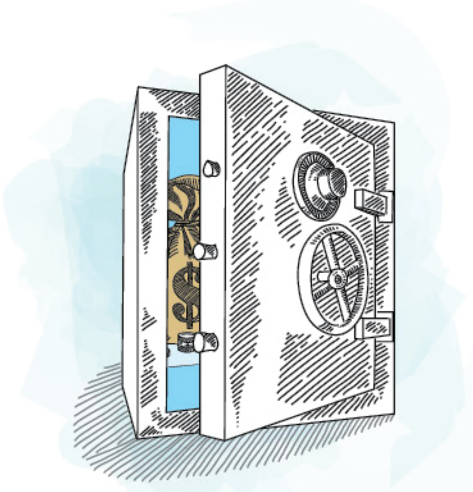


A beauty of bushcraft

This handmade leather and waxed canvas backpack from 99percenthandmade via Etsy is equal parts gorgeous and functional. Each hand-stitched vessel is made to order using traditional methods. If you're an avid camper or hiker, or if you just want a rustic conversation piece to carry your belongings to and from the office, you can customize the design to fit your needs and sense of style. Take on the wilderness, or the boardroom, at etsy.com/shop/99percenthandmade.

Come stave for a while

The intersection of comfort and style is a popular place to be, but what happens when you add sustainability to the mix? These Adirondack chairs from Wine Barrel Workshop made from upcycled wine barrels in the heart of Sonoma wine country are a beautiful blend of natural wood tone and deep burgundy – literally. It turns out wine stains aren't always a bad thing. Don't worry, it won't get on your clothes. Add some flair to your outdoor haven at winebarrelworkshop.com.



The anatomy of an irrevocable life insurance trust

The annual "care and feeding" of these specialized trusts requires a nuanced approach

Life insurance death benefits paid to your beneficiaries, while not subject to state or federal income tax, could wind up being included in your total taxable estate. It depends on who actually owns the policy. If someone other than the decedent – say a spouse – owns the policy, it's not included in the estate, so there's little concern about potential tax obligations. But if the decedent is also the owner, then it is included, which may surprise even the savviest among us. For people who expect their estates to exceed the lifetime gift and estate tax exemption or their state's estate tax thresholds, an irrevocable life insurance trust, or ILIT, may help. This specialized vehicle allows those of significant means to potentially shield life insurance proceeds from this tax burden. Here's what we mean.

A quick primer

Simply put, an ILIT holds the policy benefits of a life insurance policy, so they are not included when calculating estate taxes. That means all proceeds can be used to provide liquidity, guarantee an inheritance or replace lost income – tax-free. For example, qualified money like in an IRA will be taxed when inherited, and the protected life insurance proceeds can essentially replace that lost income. An ILIT will also protect the life insurance benefit from any potential creditors and add an extra layer of privacy to the settling of the estate.

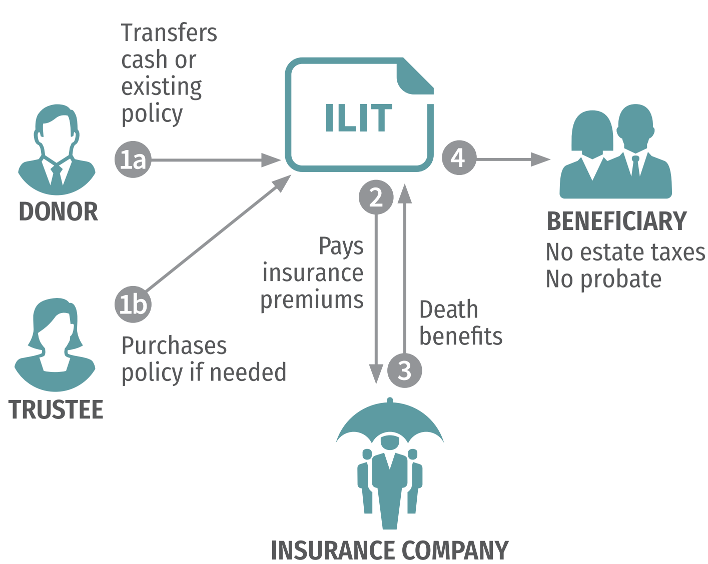
If it looks like your and your spouse's joint net worth and gross estate value might exceed either your state's estate tax exemption or the current federal lifetime gift and estate tax exemption ($24.12 million in 2022 for couples), then an ILIT might be something to consider. You may not imagine your estate reaching this level, but there is a possibility that the federal exemption will drop to $6.2 million by the end of 2025 or that your estate might be subject to state estate taxes at lower levels. Something to keep in mind.

How it's done

The first step is to talk with your financial advisor. If you decide to set up an ILIT, you'll need to engage your attorney to set up the trust agreement, the trustee and the beneficiary or beneficiaries. The trust document will, of course, identify the asset in the trust, in this case the life insurance benefit, and any special rules as well as alternate trustees. Most ILITs are established with cash and the trustee buys a policy on behalf of the beneficiaries. You'll continue to gift money to the trust, which then pays the ongoing premiums to keep the policy in good standing.

Consider this

There are some important things to consider if you move forward with this estate planning instrument.



- The word irrevocable means just that – once the ink is dry, these trusts cannot be changed.
- If you choose to establish an ILIT with an existing policy, know that it takes three years to become effective. If you pass away within those three years, all life insurance proceeds will be included in the estate – and subject to the estate taxes you may have been trying to mitigate in the first place.
- If you establish a trust using cash, it becomes effective immediately; however, you still want to do this kind of planning in advance. If you receive a life-altering diagnosis, for example, the trustee may no longer be able to purchase a policy on you, rendering an ILIT ineffective.
- There are costs and time associated with setting up an ILIT, including filing federal and state tax returns on the trust, sending annual Crummey letters to relevant beneficiaries, and setting up a separate bank account in association with the trust. The ins and outs are complicated and generally benefit from having the oversight of a corporate trustee who specializes in getting these particular i's dotted and t's crossed.

An ILIT gets the job done in a straightforward way, reducing your taxes, and offers a solid method to preserve these assets for the beneficiaries you've worked so hard to support. Talking with your team of trusted advisors and legal representatives will make it clear if this is the right strategy to add to your overall estate plan.

Sources: investopedia.com; thebalancemoney.com; joneskuriloffsargentlaw.com; jdsupra.com

Raymond James does not provide tax or legal services. Please discuss these matters with the appropriate professional.

Generosity rules the day

Charitable giving shows no signs of slowing, but inflation may have an effect

Despite what headlines might make you think, giving has been up across the board in 2021 and 2022, even in times of market, economic and geopolitical uncertainty over the past two years.

Charitable giving was up to a record-breaking $471 billion in 2020, a 5.1% increase over 2019 even though there was a 2.3% decrease in GDP, according to Giving USA's recent study. Fidelity Charitable donors recommended 13% more grants than 2020 – a 41% increase over 2019 levels. A July 2022 poll shows that 70% of Americans gave to charity in the last year. And a recent Forbes article's headline sums it all up – "Tireless Generosity Amid Challenging Times." The piece went on to say that "this continued attention to charitable giving supports a historical pattern that during challenging times, Americans respond with philanthropy."

Repeated resilience

One reason? Donors tend to be resilient. That is, once they've committed to an organization and given a set amount in the past, they generally can be depended upon to continue that giving. This donor resilience also shows no signs of slowing the last few years. The global pandemic may have also served as a reminder to many that they could one day need support themselves – no matter how privileged they are now.

Can impact giving offset inflation?

What has changed is that those repeated donations may not go as far with inflation on the rise. So donors are increasingly looking at impact when giving. They previously might have focused on overhead – assuming that a slimmed overhead meant their money was going to the actual cause, not paying the monthly bills. A better way to gauge impact, especially in inflationary times, is to review reports on Charity Navigator or GuideStar, conduct a deep dive on annual reports and/or talk one-on-one with a board member. You may be able to get a better sense of the impact numbers – the number of people served or affected by the organization – and ensure your donations are as effective as possible.

Could tax policy urge donations even higher?

Given the state of inflation, advocates like the Charitable Giving Coalition are championing a renewal and expansion of the universal charitable deduction that expired. Its view is that, when adjusted for inflation, recent giving trends look a lot like the pre-reform levels we saw in 2017. The National Council of Nonprofits, a network of more than 25,000 nonprofits, feels the same and is working to bring back similar incentives. Could public policy encourage giving and offset the negative effect of inflation?

Americans are generous in the face of uncertainty, pandemics and so much more – a philosophy that shows no sign of slowing. However, with inflation in the mix, both donors and charities have become savvier about how donations are used to counteract inflationary pressure. Tax policy may help now and in the future with a renewed look at how to make the highest impact with the dollars at play.

Sources: charitablegivingcoalition.org; rollcall.com; today.yougov.com; wealthmanagement.com; givingusa.org; integerpolicy.com; forbes.com

An inside look at cutting-edge education

Labeled "higher education's gilded age," the late 19th century was the period when educational institutions truly began to take the form we recognize today – owed largely to a surge in interest from prospective students. Fast-forward to the 1950s and '60s, and the federal government had become heavily involved in the sponsorship and development of higher education, leading some states to respond by investing in expansive campuses to meet enrollment demand.

Today, higher education represents around 2.5% of the gross domestic product and remains a popular, esteemed and trusted source of knowledge for many. But it's also an industry that's no stranger to change. The Office of Educational Technology (OET) advocates for evolution in the industry, proposing that the cutting-edge technologies available today could provide an opportunity to heighten the quality of higher education systems – and how equitable they are – tomorrow.

While the long-established structure of higher education is still widely practiced, the online world and other education technologies (also known as "EdTech") that are built using artificial intelligence (AI), machine learning (ML) and virtual reality (VR) have all, in their own ways, started to enhance what can be achieved across educational disciplines.

The growing presence of EdTech

MarketsandMarkets research indicates that, in 2022, the global EdTech market was valued at $125 billion. In five years, that valuation is predicted to double. EdTech is an umbrella term that encompasses a wide variety of technologies, but the sector's continued growth can be credited to the personalized e-learning experiences made possible by automation and data-powered technologies like AI and ML.

Where traditional teaching methods and curricula were typically one-size-fits-all, ML algorithms now use rich data to predict outcomes that help create a more efficient, enjoyable and personalized learning experience for students. Educators are benefiting too, thanks to improved insights that help identify which individuals are struggling with the pace or subject matter, manage student progress, and shed light on how learners best consume information. A customized learning approach, tailored to each student's interests, abilities and knowledge levels, leads to greater buy-in and deeper engagement.

Beyond AI and ML, VR is taking virtual learning to new levels of immersion. 3D technologies, like VR, deliver experiential learning opportunities that simulate real-world locations and subject matter. VR provides today's learners with experiences that are rare, expensive, potentially dangerous, remote or physically impossible in the real world. For example, a human anatomy lab course at Hamilton College uses VR simulations of organs within the body to demonstrate how certain diseases affect them. Meanwhile, the University of Illinois provides its students with a "VRchaeology" e-learning experience based on an actual North American cave excavation with over 100 artifacts. Immersive 3D technologies are lessening the need for cadavers and far-flung field trips and are opening up educational access for more students than ever.

In-house business schools and bespoke MBAs

While traditional academic institutions are actively embracing technological innovations, the professional world is also reallocating resources and attention to online and digital opportunities.

In fact, the need to have fully equipped workers capable of responding to the rapid rate of industry change and digital transformation has prompted a handful of organizations to take matters into their own hands. Businesses are beginning to establish bespoke in-house MBA programs to reflect the dynamic challenges of their specific industry. For example, regardless of role or position, EY employees can participate in a fully accredited corporate MBA for free.

Educational psychologist Benjamin Bloom published a contained research study that found 98% of students who received personalized tutoring outperformed those who didn't.

Other companies are benefiting from this approach, reporting that:

- An in-house solution reduces the disconnect between specific talent needs and what academic institutions broadly offer.
- Instructors can respond promptly when industry or organizational developments occur by adjusting and aligning course material.
- Online learning allows students to work while they learn and put their knowledge into practice quickly in the workplace.
- An in-house MBA appeals to students because, if they leave the company, they can take their degree with them.

For companies with the resources to execute successfully, leaning into a DIY digital learning solution has the potential to personalize professional development and strengthen affinity between workers and their organization.

Mentorship communities and platforms

There's more involved than formal learning as well. While mentorship is far from a new concept, virtual mentorship is a newer phenomenon. Since in-person interactions were reduced during the pandemic, professional mentors and mentees came to rely entirely on virtual platforms. These platforms help facilitate a mentoring relationship through scheduling, agenda creation, instant messaging and video conferencing tools.

Virtual mentorship has opened the gates for individuals worldwide to participate while also increasing the likelihood of stronger, more specific, mentor matches. Professionals are matched based on industry, expertise and personal development goals. In turn, this allows mentors to personalize the insights, perspectives and career advice they share. A win-win for all.

Being a mentor is a rewarding experience. If you have the time and some specific industry knowledge to share, explore platforms like Clarity.fm, MicroMentor, ADPList and more.

Connecting with coming generations

The core fundamentals of higher education remain largely unchanged. People still enroll in college. Students continue to trust educators and mentors to bestow knowledge. But the influence of cutting-edge technologies and online platforms is an unavoidable – even welcome – reality for generations of future learners as well as those involved in any type of education today. As mentioned, personalized technology-powered learning experiences help deliver value for students and undoubtedly increase educational access for more people than ever before.

The OET reports that many colleges and universities are using technology-enabled resources to increase flexibility, reduce costs and improve affordability for students.

Sources: education.stateuniversity.com; nces.ed.gov; tech.ed.gov; marketsandmarkets.com; mckinsey.com; jstor.org; menklab.com; library.educause.edu; vrchaeology.com; bloomberg.com; ey.com; hrdailyadvisor.blr.com; insala.com; clarity.fm; micromentor.org; adplist.org

Presence is the present

Unplug and reboot with the whole family this holiday season

It's the most wonderful time of the year … until another notification pings on your smart device. You had planned to help your loved ones deck the halls but pause to quickly answer a text message. Before you know it, you've lost two hours scrolling through photos past, and that original text message is still unanswered. Meanwhile, the rest of the family has moved on to other plans – and their own devices.

Don't let screen time stats turn your family into parallel-playing hermits. The holidays present a natural time to slow down and reconnect. Discover how a few key low-tech, intergenerational activities can incentivize everyone to be present this season while providing unexpected benefits for the brain.

Unwrapping the "digital detox"

For decades, psychologists have warned against spending too much time in front of our computers, phones, tablets and televisions. Before the COVID-19 pandemic, U.S. adults averaged 10 hours a day in front of screens while teens and young adults spent eight hours a day plugged in. In 2020, screen time surged to over 19 hours a day and has remained at an all-time high. As a parent or grandparent, you have likely scrolled past headlines with these cautionary tales.

To counteract the demands of high-tech culture, Sammy Nickalls' "Log Off: Self-Help for the Extremely Online" suggests setting personal internet boundaries and practicing "digital minimalism." Ditching device codependence can be as simple as changing phone display colors to grayscale to dull the sensation of scrolling, disabling a device's "raise to wake" function, and setting time limits on social media apps. The latter can greatly reduce screen time while giving you back your free time.

Media mogul Arianna Huffington once told CNBC she discovered a more balanced life once she "tucked" her phone into a bed-shaped charging station each night. Designating a place to put electronics at the end of the day can also deter overuse while creating new habits that physically distance you from your device.

Implementing intentional strategies to reduce screen time can empower adults to unplug and model better behavior for younger generations. Changing children's relationships to devices can be as straightforward as creating rituals that emphasize

> "The stories of everyday people are as interesting and important as the celebrity stories we're bombarded with. If we take the time to listen, we'll find wisdom, wonder and poetry in the lives and stories of the people all around us."
>
> – Dave Isay, *"Listening is an Act of Love"*

together time sans screens. Dr. Gene Cohen in "The Creative Age" says that increasing intergenerational family time is instrumental for brain health, igniting collaborative creativity while boosting immune cell production and neuroplasticity. Creative play builds relationships and provides outlets for meaningful reflection and conversation. Consider the following out-of-the-box strategies to engage every age in your family – these may just be the gifts that keep on giving.

The great outdoors

The Environmental Protection Agency conducted a study that found most people spend 93% of their lives indoors. If you're looking to put distance between family members and their devices, there's no better way to disconnect from a Wi-Fi signal than out in nature. Ginny Yurich, mother of five and founder of the "1000 Hours Outside" initiative, did just that. She sought to counter screen time statistics by spending 1,000 hours a year outside with her children.

Crunching the numbers, the math shakes out to roughly 2.5 hours a day spent outdoors – but, really, Yurich says, the initiative is about creating intentional balance. Her visually engaging coloring pages and charts can be found online, so families can track their progress in analog. Yurich found that having a specific goal with measurable results motivates her children to want to stay unplugged.

Reindeer games

While 1,000 hours of outdoor play can be unstructured, the following all-ages games might inspire intergenerational participation:

Shadow tag: Instead of tapping players, the goal is to tag the other players' shadows. For young children, this develops critical social skills, as well as promotes STEM learning by understanding how someone's shadow will move as their angle to the sun changes.

Scavenger hunt: If access to forests and mountains are in short supply, this game can encourage outdoor participation in city and urban environments. Ask each family member to create a list of objects or sights to discover around your neighborhood (an evergreen tree, a yellow fire hydrant). On your next family walk, compete to see who can check off their list first. Bonus points can be awarded to original additions like finding a dog walker, chatty squirrels or a certain car model.

Television tag: Another twist on a classic. Whoever is "it" gives everyone 10 seconds to spread out before beginning the chase. A player can avoid being tagged by crouching down and naming a TV show. If they can name one quickly, they're given five seconds to escape. If not, they become the next "it." Younger players can petition for internet channels to count, while grandparents might name shows that predate some of the players.

Naughty & nice screen time cheat sheet

Struggling to find a happy medium between high-tech and low-tech family time? These activities can ease the transition to completely screen-free fun.

Instagram-able galleries

Visit a museum, zoo or aquarium. As you go through each exhibit, play "I spy" or the alphabet game with the aid of a phone camera. Snap a selfie with an animal from every letter of the alphabet or hunt for a painting with a swirling, starry sky.

Content creator

Who is your family's biggest influencer? Visit an arts and crafts store to find a DIY kit or choose a favorite family recipe to complete on camera, social media-style. Bake and make in pairs so younger family members have assistance. Post the videos and ask friends and family to vote on their favorites.

#Volunteer

Take time to talk about your values as a family. Then do a web search of local community organizations that align with those values. Make a list of events or activities and choose something that everyone can participate in, like a coastal cleanup or toy drive.

Nomophobia

[nōh · mōh · **fōh** · be · uh]

The fear of being without your device, "no-mobile-phobia"

The great indoors

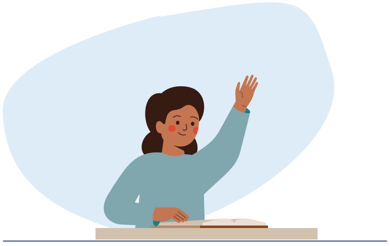
Sometimes a move from the digital screen to the wild is too big a leap for those who would rather sit, scroll and tweet, especially if winter weather is a factor. There are still psychological benefits to spending time with one another inside. A Harvard education study found that conversational interplay between caregivers and children was enough to transform the brain, driving up literacy skills and cognitive development.

This is the foundation of StoryCorps, a project that began in 2003 to collect stories from everyday people and preserve them for future generations. StoryCorps founder and radio producer Dave Isay invites storytellers of all ages to interview one another inside a traveling Airstream studio. The recordings are archived at the American Folklife Center at the Library of Congress and excerpts of interviews are broadcast on NPR's "Morning Edition." This process can easily be replicated at home, screen-free. Storytelling is a great way to engage family members both young and old, and Isay says the best stories emerge when you listen closely and ask the right questions.

FOMO

[**fōh** ·mōh]

Scrolling past other people's fun and harboring a fear of missing out, whether real or imagined



Are your icebreakers smarter than a fifth-grader?

Here are some conversation starters and activities to boost your signal over the generation gap:

Elementary age

- What is your favorite joke?
- If you could open a store, what would you sell?
- If your favorite toy could talk, what would it say?

Story time stretch: Go to the library and pick out a book that has a particular word that appears throughout the story. As you read aloud, have young listeners jump, stretch, clap or do a physical movement every time they hear that word. Switch roles so you get a chance to stretch your legs too.

Middle/high school age

- What is something that you are proud of?
- What made you smile today?
- If you could change the world, what would you do?

Roses and thorns: Use this format instead of asking teens the dreaded "how was your day?" Everyone goes around the table and shares one rose and one thorn. Start with the thorns and talk through the difficult parts of the day. Then finish with the roses, sharing a special moment from the day.

Two truths and a tale: Each player shares three facts about themselves, two true and one false. The other players guess which is untrue. The person who guesses correctly goes next, and if no one gets it right, the one who is telling tall tales goes another round.

College age/young adults

- What was your New Year's resolution this year?
- If there were 25 hours in a day, what would you spend that extra hour doing?
- What is something on your "live it" list?

Build your family tree: Do a deep dive into your family ancestry and build a visual family tree. This activity can lead to deeper conversations. As you work together, ask questions. Who were your friends growing up? What are classic family stories, jokes and songs? How would you like to be remembered?

Ringxiety

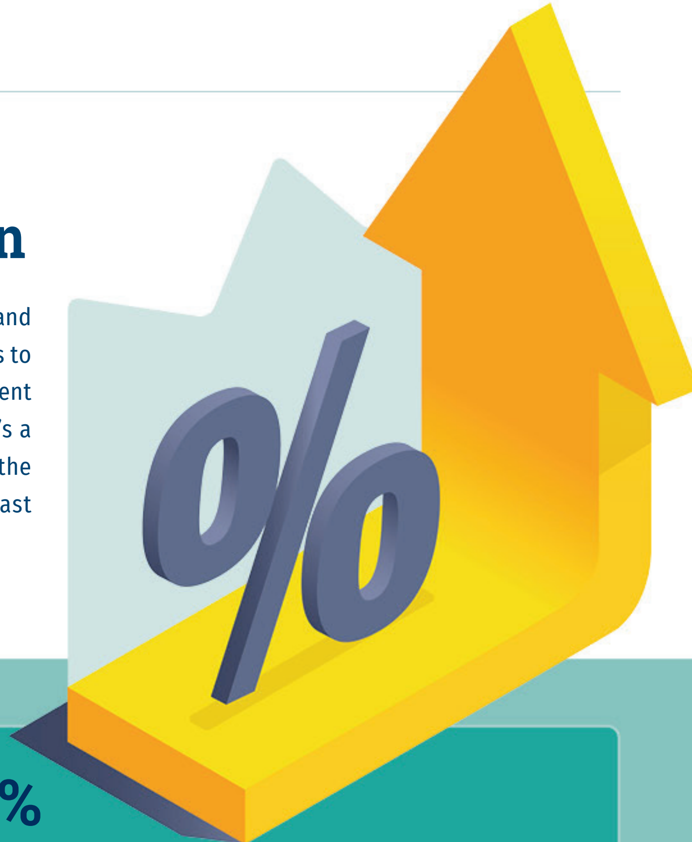
[ring ·**zy** ·uh ·tee]

Feeling imagined rings or vibrations

Sources: npr.org; cnet.com; cnbc.com; 1000hoursoutside.com; thegeniusofplay.org; harvard.edu; sightsage.com; "The Creative Age" by Gene D. Cohen; "Listening Is an Act of Love" by Dave Isay

Beat boredom and inflation

Ah, the good old days, when families could cover expenses and still have money left over for the good stuff. From movies to theme parks to professional sporting events, entertainment seemed more attainable back then. Fear not, fun families. Here's a quick peek at a few options to keep everyone entertained until the economic pendulum swings the other direction. Until then, at least the memories will never decrease in value.



6% Dining out

Cost of dining out, the highest year-over-year jump since 1982

dine in instead

Put on your aprons and cook something as a family. Kids make great sous chefs.

20% Rocking out

Cost of attending a concert, a shocking leap in two years, outpacing even record-high inflation

rock on!

Smaller venues, especially in college towns, usually offer affordable live performances. You might even spot the next great star before the masses do.

1,728% Movie theaters

The average movie for four, including snacks and drinks, has risen almost 1,728% ($3.76 in 1960 vs. $68.73 in 2022). Popcorn accounted for most of the increase, percentage-wise, according to an analysis by The Hustle.

grab the popcorn

Video on demand beats full-price tickets for everyone. Plus, you can fire up some popcorn and use sheets and furniture to create a "theater" your kids will love.

1,878% Sporting events

MLB baseball games for a family of four now average $204.76, 1,878% higher than in 1960 ($10.35). Parking climbed the most.

home field advantage

Minor league baseball can be a blast for a much lower cost (average price in 2022 for a family of four is just under $70, including two adult tickets, two child tickets, four hot dogs, four drinks and parking)

$149 Theme parks

What about theme parks? Tickets at Disneyland have magically gone up as well: $5.55 (adult admission plus ride tickets) in 1960 vs. $149 in 2022.

fun-time funds

More affordable parks offer great times without the credit card aftertaste. Tropic Falls in Alabama, Worlds of Fun in Missouri and Wild Adventures in Georgia are just a few.

Sources: bls.gov; cnbc.com; fred.stlouisfed.org; milfordbank.com; pewresearch.org; ssa.gov; thehustle.co; thepennyhoarder.com; ticketnews.com; travelandleisure.com; shebuys.com; wildadventures.com; worldsoffun.com

IN GOOD COMPANY

For many solo Americans, life is about what you live for, more than who you live with

When Hurricane Ian was bearing down on Florida's west coast, the "Three Grannies," as they call themselves, rented an Airbnb and consolidated hurricane supplies before evacuating their beachfront condos. One single, one widowed, one whose husband was out of town. Their kids scattered across the world; none near enough to help on short notice.

The longtime friends and neighbors – a family of a different sort – did what needed to be done and supported one another throughout the weeklong evacuation. They played cards. Laughed together as the power flickered. Reached out to friends who were in the storm's more direct path. Stayed in contact with neighbors who remained in their building and emailed regularly to update the Grannies on the storm and its effects.

Their pact of friendship isn't that unusual. More and more retirees are choosing to age alone. And they're happy about it. Men and women are enjoying fulfilling relationships, friendly and romantic, without cohabitating and without relying on children to be caretakers. Many others don't have nearby family or children at all and have chosen to fill in any perceived gaps with a network of friends and professional support.

On their terms

Living alone, on purpose, doesn't mean you're a recluse or hermit or any number of antisocial labels often placed on those who choose a solo lifestyle. Many of those who live by themselves have active, quality social lives – a key component to well-being, particularly as we age, according to many studies. They've developed a great network of support.

Remote control

Whether the choice is deliberate or not, many describe the experience of living alone as liberating, where just about everything is on their terms. It's adulting at any age, learning new skills, enjoying old hobbies and creating a life that feels just right. Some see it as a grand experiment, a phase they might eventually leave behind, while others have embraced living alone as a permanent and pleasant lifestyle. They watch what they like on TV at whatever volume pleases them. They walk – or dance – around in whatever state of dress they prefer.

And they generally don't feel as if something is missing. They describe being completely present in body and mind. Comfortable in their own company. Yes, it's sometimes difficult to make important decisions without intensive research or relying on an extensive network, but it's a tradeoff they're more than willing to make.

Some people live alone because of their circumstances, losing a partner or a roommate, for example. Their children, if they have them, don't live close by. Everyone's situation is different and their solutions vary. Some take a "Golden Girls" or "Grace and Frankie" approach and find roommates to share financial and emotional support.

"Like what happened in the series, you shouldn't give up," Jane Fonda told Lisa Bonos, host of the "Solo-ish" podcast from The Washington Post. "For a while, you have to stay close to the wall and be careful who you spend time with, and really take care of yourself and stay healthy. You think you're being broken, but actually you're being broken open, and life can get way better than you ever expected."

Living independently

Of course, living alone means you can enjoy all the privileges, but you bear all the responsibilities as well. Including taking care of yourself.

As you age, this may become more difficult, particularly if you face cognitive or physical impairment. Study after study shows that Americans prefer to age in place, meaning staying in their familiar homes for as long as possible. As expected, we feel happier and more in control in familiar surroundings with familiar routines. We pride ourselves on independence, after all.

Living well

Staying healthy and well – mentally and physically – is crucial at any stage. Here are a few tips to live safely and independently.

Consider security.
A monitored system may ease your mind. There are many affordable options that integrate smart technology like motion-activated recording, timed lights and smartphone accessibility. Oh, and lock the door and have an exit plan in case of emergency.

Create a check-in system.
Keep in regular touch with a friend, family member, co-worker or neighbor so you'll have support in case of an accident or illness.

Remove fall hazards.
Wires, rugs and slippery flooring increase your risk of injury. Consider carpet and rubber treading instead and add safety railings in the bathrooms.

Add light.
Keep indoor and outdoor spaces bright with adequate lighting and motion-activated nightlights if you're prone to waking up in the middle of the night.

Who'll change your light bulb?
Yardwork and housework can be left to someone else. Budget accordingly.

Don't broadcast that you live alone, especially online.

Keep medications organized.
You don't want to accidentally take the wrong dose or miss one. Most insurances allow you to buy a three-month supply through mail order.

En vogue

The living alone phenomena isn't new. Back in 1947, a former Vogue assistant editor named Marjorie Hillis, who had moved to New York by herself in her 30s, wrote "Live Alone and Like It," which encapsulated the many small joys of living alone. "You probably have your bathroom all to yourself," she wrote, "which is unquestionably one of Life's Great Blessings."

The older you get

Living alone in retirement might be a slightly different ballgame. Too often, pre-retirees focus on accumulating assets and making sure they spend money wisely. But while our biggest fear may be outliving our wealth, there's an even greater risk of:

- Less independence
- Being unable to access the little things that make us happy
- Falling out of touch with friends and loved ones

Of course, finances should be part of the equation when planning a meaningful life on your own terms. But, ultimately, the factors that will determine your future quality of life are the most important to home in on. These three seemingly simple questions, developed by MIT's AgeLab in conjunction with Hartford Funds, are a great place to start when it comes to taking an integrated approach to living longer and living well without someone else.

Who will change my light bulbs?

This isn't just about light bulbs, of course. This is a no-brainer when you're fully mobile. You may need a special extender to reach bulbs near the ceiling, but that's all the help you really require. Most of us take for granted our ability to perform daily house cleaning, maintenance and basic repairs. But that may change. Do you really want to be climbing ladders when you're 80 or 90? Would your family want you to?

This question gets to the heart of home maintenance and your ability to live comfortably (and safely) on your own as long as you want. Given that baby boomers overall had fewer children and one of the highest divorce rates in history, you may need to formulate a plan to help you maintain your home when you can no longer do the work yourself. To get started, identify trusted service providers who can take on the tasks and figure out the recurring costs. Friends, neighbors, family members – even your financial advisor – are good referral sources. Ask for recommendations and draft a go-to roster of professionals who can help. Start by thinking about the types of home services you may need and their monthly costs.

Then think about certain renovations (particularly those that help safeguard against falling), their costs and the time it may take to make the changes to your home. Consult with a Certified Aging-in-Place Specialist, certified by the National Association of Home Builders, to determine what features and styles you might want to install. Innovations in technology and engineering can help too, particularly if you incorporate the new crop of advanced monitors and sensors designed to help "mature" adults maintain independence.

How will I get an ice cream?

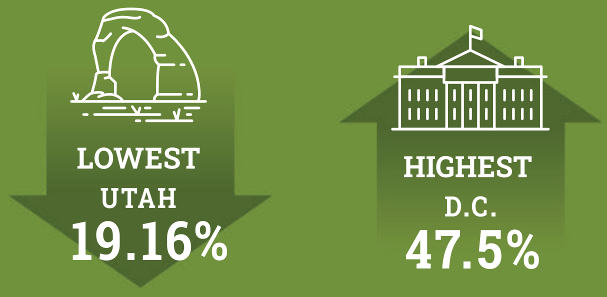
What we're really asking is how will you get something you want, when you want it? Can you be spontaneous? After all, part of living the good life is being able to easily participate in the small joys that put a smile on your face. And it may well be a banana split with whipped cream.

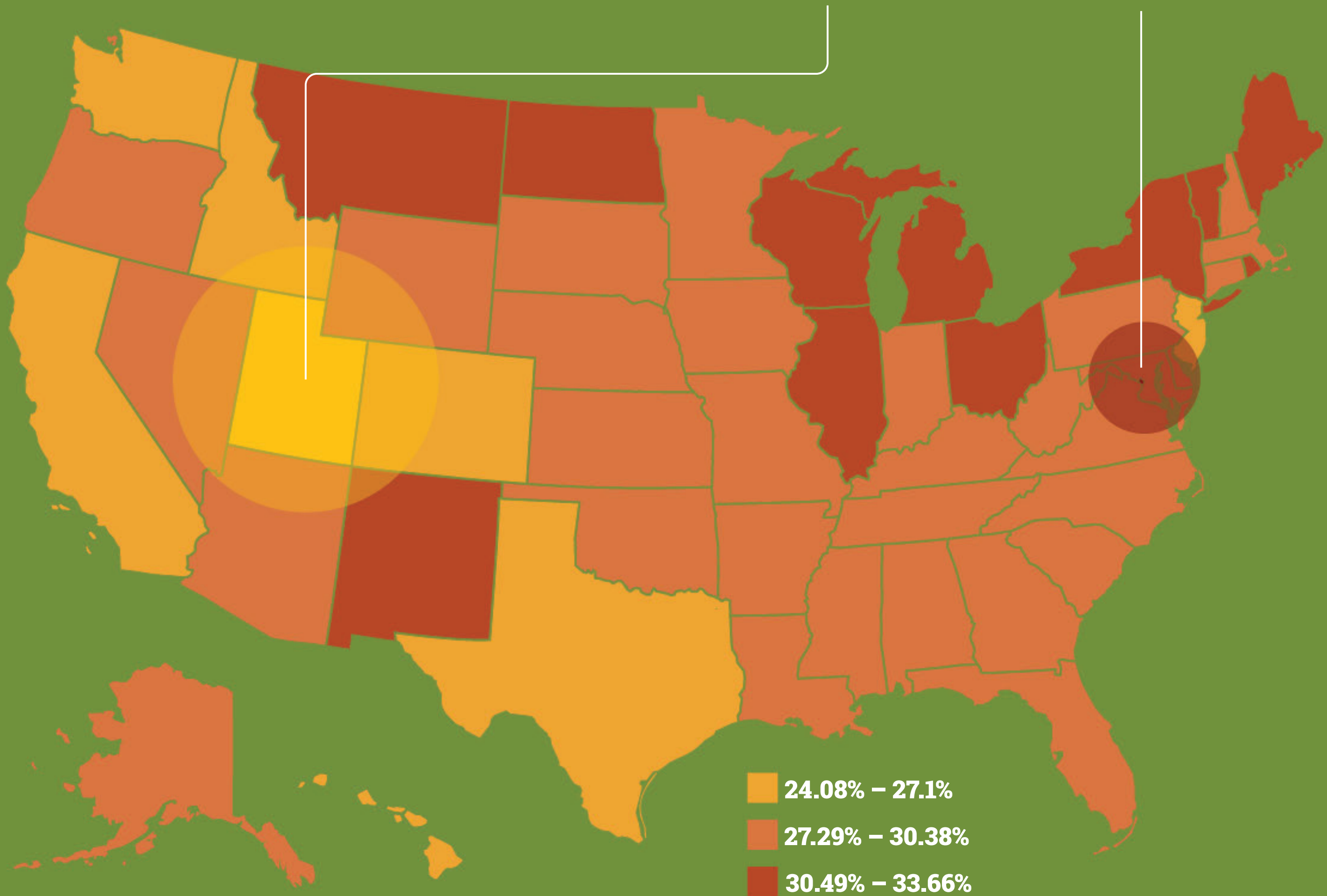
While you likely can readily afford a sweet treat, the capacity to have it on demand requires reliable and safe transportation to get where you want to go in a reasonable amount of time. This question gets to the heart of the logistics. Will you be able to drive? Walk? Take the bus? Can you afford to have a driver help out? Keep in mind, too, that you may need to factor in airfare if it's important to you to visit friends and family who live far away.

There may come a time when driving yourself is no longer possible, so it makes sense to explore reliable transportation to help you get what you need as well as what you want. You want the freedom to be spontaneous, social, vital. And you'll want to live in an area where the things you enjoy are nearby. For some, that may mean living near a college or university. The vibrant environment provides access to intellectual and cultural events and activities, as well as cutting-edge medical facilities and a developed transportation system. No matter where you end up living, you'll want to surround yourself with activities and people that will keep you engaged and actively enjoying your life.

SOLO STATS

U.S. census data shows that the number of single-person households has increased since 1960. More American households live alone as the senior population grows older and larger, and younger Americans continue to delay life milestones – having fewer babies later in life, for example. Here's what the single life looks like by the numbers.





% of single-person households by state, 2019

The number of Americans living alone climbed by 4 million in the past decade.

Number of adults living alone by age, 2021	Men	Women
75+	23.7%	42.8%
65 – 74	18.5%	25.7%
35 – 64	13.5%	11.9%
25 – 34	11.7%	9.1%
18 – 24	4.8%	4.6%

37 million people aged 18 or older lived alone in 2021.

16.7 million are men; **20.3 million** are women.

88% of those 50 and older hope to remain in their homes once retired, and the number was even higher among those over 65.

So far, we've discussed what you may need to live comfortably at home, and you may already be thinking about how you can get from point A to point B so you can enjoy life's little pleasures. Next may be the most important thing to consider … lunch.

Who will I have lunch with?

Lunch is so much more than a meal; it's a social occasion to chat and catch up. Who you have lunch with may be a good indicator of your social network – friends you see on a regular basis who'll support your healthy and active lifestyle, and on whom you can depend for company or even help should the need arise.

Even with adequate finances, living alone without a robust social circle can threaten healthy aging. Social interaction is important at any stage of life, but it can be particularly significant and life affirming when you're in your 60s, 70s and 80s.

There are certain people in your life who make every day better, so take some time to think about those who are closest to you emotionally and how you can spend more time with them. Who is special to you? Do you depend on particular people for advice or companionship? These are the folks worth making an effort to keep in your life. Just as you'll need them, they'll need you.

The boomer generation tended to have fewer kids, and those kids moved away from their family homestead at a young age. Boomers, in general, are more likely to live alone, get divorced after 50 and manage a majority of their household activities. And this group tends to live in more rural or suburban areas.

Consequently, planning where and with whom to retire may be as important as how much it will cost, if not more so. If you're living alone in a far-off setting, you may not have easy access to the types of amenities, activities or, perhaps, even the people whom you enjoy. So you'll need to consider how family, friends and advisors can help fill in the gaps as needed.

It seems obvious then that we need social interaction. The benefits go beyond the emotional aspects of keeping ourselves busy or entertained, according to research from the Yale Medical Group. In fact, staying social can improve your physical health as well. An active social life can lead to lower risks of heart problems and high blood pressure, fewer incidences of cancer, and can deter osteoporosis and rheumatoid arthritis. Perhaps most important, it strengthens connections in your brain, lowering your risk for Alzheimer's and mental health issues.

Making the connections

On the surface, these questions may not have much to do with living alone, but the answers they generate can predict how rich and satisfying life may be. It moves us away from finite costs and focuses instead on living a meaningful life and everything that entails. That includes tangible concerns, like housing, transportation, the relationships and connections that make life worth living, and the decisions and planning that go along with them.

As you find the answers, your advisor can help you integrate these choices into your financial plan and address any concerns you may have for the future. They can also connect you to healthcare services, contractors and other professionals to help you align all the components, and they can help you factor in the costs. What you decide today may change, but at least you'll have a good idea of what you want to achieve and a solid plan to help you get started.

Sources: Cardinal & Gray Society; Hartford Funds, "The Quality of Life"; The Washington Post; uphomes.com; thehill.com; census.gov; MIT AgeLab; University of Michigan National Poll on Healthy Aging in conjunction with AARP, 2022

Shrinking social circles
One particular age group is growing, 70- to 74-year-olds, but those 40 to 54 aren't keeping pace, and the latter group tends to be the caregivers.

Broaden your flock of friends

Friends and family are critical to a happy and healthy retirement, maybe even as important as financial security. Consider some of these suggestions to find “birds of a feather,” so to speak.

PARTICIPATE

According to the National Council on Aging, regularly visiting a community center may improve your overall health and well-being.

EXERCISE

Many yoga studios and health clubs have classes geared toward varying fitness levels. Even walking around your neighborhood or gardening can create opportunities to introduce yourself to others.

ASK FOR HELP

Having people around who can assist will mean you can live alone for longer. Ask for specific support with things you may find difficult, like managing your garden or driving at night. Many communities and places of worship also offer social services and homecare assistance to help with meals, cleaning, household tasks and transportation.

LEARN

Institutes of higher learning offer an opportunity to audit courses, where you could meet friends of all ages.

GET SOCIAL

As long as you’re careful not to reveal information that could expose you to fraud, social networking can help you make connections.

TRAVEL

Consider joining a travel club geared toward singles. Vacationing with peers, who may literally be in the same boat as you, establishes common interests.

CAFFEINATE

Neighborhood coffee shops are great places to meet people you may recognize from your community.

VOLUNTEER

Volunteer at hospitals, animal shelters, schools or libraries. You’ll likely meet like-minded friends and make a difference. And according to a study published in BMC Public Health, volunteering may improve mental health and help you live longer.

BUY A PAPER

If you’re up for it, walk to a shop to buy the local paper every day. You’ll feel more involved in your community while supporting local journalism.

GET TO KNOW NEIGHBORS

You may need a cup of sugar or something more essential down the road, and your neighbors may be the closest people who can help.

BE OPEN

Ask family and friends, who know you well, to introduce you to others who may have similar personalities or interests.

GET OUT

Make a point of getting out of the house and seeing others. Continue to enjoy your hobbies. You shouldn’t feel cut off from other people just because you live alone.

STAY IN TOUCH

Make a practice of reaching out regularly with calls, video chats or texts. Invite friends and family to visit. Don’t be shy about asking others to return the favor either. Relationships are meant to be two-way streets.

THINK FIDO

If you’re a pet lover and capable of providing proper care, consider getting a dog or other pet as company.

“SHARK TANK” DE-MYSTIFIED

A look at venture capital investing through the eyes of a Shark

“Shark Tank” makes for great TV and, in some cases, great financial gains. Excited entrepreneurs pitch their business ideas to tough-nosed investors (i.e., Sharks), hoping to obtain funding and mentorship for their fledgling businesses. While some pitches are summarily rejected by all the Sharks, often one Shark will “take the bait” of a good pitch and offer investment terms to the contestant. Some of the best pitches have the Sharks competing to offer the most favorable terms to the entrepreneur. Eleven seasons ago, significantly fewer of us discussed ownership percentages, valuations and other venture capital terms, but now you hear them at dinner parties, and perhaps even on your social media feeds.

What are they actually talking about?
“Shark Tank” introduced many of its viewers to the world of venture capital (VC), a type of private investing that focuses on making minority investments in early-stage companies (aka startups) with significant growth potential. VC allows investors to access startups at the ground floor and potentially achieve significant returns if the startup has a successful exit event. While VC represents a small subset of private investing, some of the world’s most famous tech companies – Apple, Google, Meta – were backed by VC funding in their early days. In addition to investing capital, most successful VC investors also contribute their industry expertise and their networks to the companies in their portfolios. In exchange, these investors receive a material ownership percentage in the company, and often some degree of influence over corporate decision-making (such as a seat on the board of directors).

There is a lot of variety within the VC ecosystem. One of the primary differentiators for professional venture capitalists is the stage of investment, which corresponds with the phase of the company’s development. Some VC firms focus exclusively on companies in the earliest stage of development (i.e., seed stage); other firms prefer to invest in businesses that are more fully developed. There can also be a geographic component to venture investing, as some investors seek to invest in locations where they are most familiar with the founders and industries of the area. While Silicon Valley in northern California has become synonymous with VC, there is also significant VC activity originating from the northeastern U.S., the United Kingdom, Israel and Singapore. Others prefer to invest in companies that align with their values, supporting women-led ventures, LGBTQ+ businesses or companies that combat climate change, for example.

STAGES OF VC INVESTING

There are several stages of a company's life cycle where a VC investor can opt to commit capital, as listed below:

Seed stage: Often the earliest funding stage for a VC-backed company. Companies in the seed stage are typically in the first stages of developing their product and creating a business plan. Seed-stage companies are often pre-revenue, and the investment capital is typically used for product development and market research. While total dollar amounts invested are usually smaller in these rounds, these investors may have more control over a company's decision-making and strategic direction. Seed investors are also sometimes known as "angel investors."

Early stage: A company is typically classified as early stage when it is raising Series A or Series B capital. An early-stage company is likely testing its product in the marketplace and generating some revenue, although the company may or may not be profitable. Funds raised in Series A and B rounds are often used to scale the business – increasing production, hiring additional personnel and/or expanding marketing efforts.

Late stage: Fundraises at Series C or later are typically categorized as "late-stage venture." Late-stage companies have usually demonstrated a viable market for their product and are generating meaningful revenue. Companies in the later stage are often closer to exit, and late-stage funding can be used to continue growing the company through strategic acquisitions or to cash out earlier investors ahead of an exit event. Late-stage venture can also overlap with growth equity investing.

Thinking like a Shark

When evaluating a VC investment opportunity, investors consider a variety of factors: the uniqueness/innovative nature of the product, the strength and experience of the management team, and the potential market size. However, the most important element for a venture investor is often the company's valuation.

On "Shark Tank," the entrepreneurs open their pitch by asking the Sharks for a certain dollar amount in exchange for a percentage ownership stake in the company. In response, the Sharks will often counter by offering the dollar amount the contestant seeks in return for a higher ownership percentage. This is a very basic method of trying to determine the company's valuation – which is generally defined as the value ascribed by investors.

Consider this example: Entrepreneur Trudy walks on to set and asks the Sharks for a $100,000 investment for a 5% stake in her company. Trudy has implicitly told the Sharks she believes her company should be valued at $2 million (since $100,000 is 5% of $2 million). After hearing the pitch, Mr. Wonderful makes some critiques but also offers $100,000 for a 10% stake. Mr. Wonderful is telling Trudy that he believes the company should be valued at $1 million (since $100,000 is 10% of $1 million).

On "Shark Tank" (and in the VC world), founders want to set higher valuations in order to give up less equity in their companies. Conversely, investors seek to establish a lower valuation to get more "bang for their buck" and own a larger percentage of the company in case it becomes successful. Subjective valuation is one reason VC is considered a riskier form of investing.

Entrepreneurs will often base their valuation on the product's *growth potential*, while investors want to set valuations based on more tangible factors, such as revenues, market penetration and valuations of comparable businesses. Setting valuations for seed-stage companies can be particularly tricky, since these companies are often not yet fully operational or generating revenue. There are numerous assumptions contained in a valuation, which requires the investor and the entrepreneur to negotiate and compromise on various terms in order to set a valuation that seems fair to all parties.

“Sharks, who invest their own money in successful pitches, didn’t make their millions without having thick skin.” *– USA Today*

As a venture-based company grows and achieves tangible milestones (e.g., revenue, profitability), the valuation should increase (although this is not always the case).

Another risk entailed in VC investing is *liquidity risk*. Since these are investments in private companies, there is significantly less ability for an investor to cash out of their investment if their financial circumstances change. In addition, some of the more sought-after VC-backed companies impose strict limitations around the ability of investors to sell shares prior to an exit event. Experienced venture capitalists understand that their investment will likely be illiquid for five to seven years; and now that some companies are opting to delay public offerings, that holding period may be even longer.

Due to the higher level of risk involved, a potential VC investor must meet certain regulatory criteria to access these investments. In the United States, the Securities and Exchange Commission requires a minimum net worth of $1 million and an annual income of at least $200,000 (i.e., “accredited investor” status).

Experienced VC investors often recommend that potential investors have a vested interest in both the promising business’s idea and the minds behind it. As angel investor told Forbes, “A great idea is simply useless in the wrong hands.” These VC investors spend a significant amount of time getting to know the founding team, and their potential talent, vision and receptiveness to feedback, before making a commitment to invest.

While “Shark Tank” can entertain you each week and introduce you to some interesting ideas, viewers rarely see any follow-up on the companies that are featured. While some venture-backed companies produce substantial returns, many either only return the initial investment or do not succeed. Every deal is inherently different and diversification is key in this space as well. For every Bombas socks, there are many more that do not reach the same level of success. However, for investors with a higher risk tolerance and an ability to hold illiquid investments, VC investing may present a unique front-row seat to a company’s growth and potential success. Please speak with your financial advisor to understand if VC investing may be appropriate for you.

Every investor’s situation is unique, and you should consider your investment goals, risk tolerance and time horizon before making any investment. Investing involves risk and you may incur a profit or loss regardless of the strategy selected. The forgoing is not a recommendation to buy or sell any individual security or any combination of securities. Be sure to contact a qualified professional regarding your particular situation before making any investment or withdrawal decision.

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Sources: usatoday.com; allbusiness.com; medium.com; medium.datadriveninvestor.com; angelinvestmentnetwork.us; forbes.com; lynnlangit.medium.com; techcrunch.com; entrepreneur.com; yahoo.com; investopedia.com; Brad Feld and Jason Mendelson, “Venture Deals,” Second Edition, John Wiley & Sons, 2013; gouchevlaw.com; smallbusiness.chron.com; svb.com

VC vocabulary

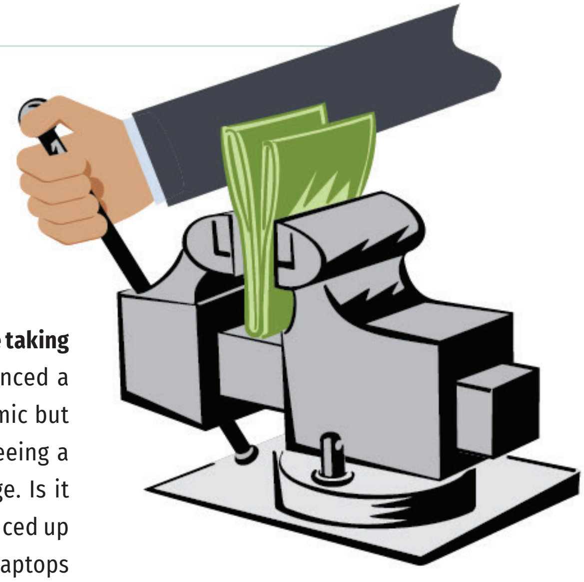
Here’s a look at some common terms in the VC world and what they mean, according to authors Brad Feld and Jason Mendelson in their book “Venture Deals.”

Pre-money valuation: The valuation of a company prior to an investment.

Post-money valuation: The valuation of a company after an investment is made. For example, if an investor tells a founder that he will invest $2 million at a $10 million post-money valuation, this means that the company will be valued at $10 million once the investment is made. This also means that the investor seeks to own 20% of the company.

Exit/liquidity event: An event that allows the investor to exit their investment and receive a return on their invested capital. Common examples are initial public offerings and acquisitions.

Down round: A financing round where a company’s valuation is lower than in the previous round.



Is everyone tightening their wallet?

Inflation is affecting consumer spending in unexpected ways

Whether you're at the grocery store or the gas pump, it's not hard to see that costs are soaring. Inflation is in full effect – at its highest in 40 years – and it's affecting everyone in some way. A study by McKinsey showed that consumer confidence has reached a new low, with 30% of respondents saying they're pessimistic about the economy. And they're changing their spending habits in some surprising ways.

Discount chains don't discriminate. Dollar General's core customers make less than $40,000 a year, but CEO Todd Vasos said the company's newest customers are those making upward of $100,000. Dollar Tree and Walmart are experiencing a similar influx of higher-income customers. There are value-oriented, price-conscious customers across all demographics and income levels, especially when it comes to buying basics.

Home goods and electronics are taking a hit. Both categories experienced a major surge during the pandemic but are the only two categories seeing a negative year-over-year change. Is it because everyone already spruced up their home and upgraded their laptops at the start of the pandemic? Other discretionary categories like retail apparel and travel are still seeing positive growth.

Outlook varies by generation. Baby boomers are the most worried about inflation, with 75% citing it's their biggest source of stress. Gen Xers closely follow with 71% saying the same. Concern drops drastically when looking at millennials and Gen Zers, reporting 55% and 44%, respectively. Perhaps experience brings wisdom?

But concern doesn't equal action! Younger generations might be less concerned about inflation, but they're the ones dialing down their spending. More than three-quarters of Gen Zers and millennials are managing their balance sheets. That shrinks to two-thirds of Gen Xers and just over half of boomers doing the same.

Virtual reality is a viable avenue. One in 3 people said they used virtual reality to purchase physical goods, according to PwC's Global Consumer Insights Pulse Survey. Most notably, 1 in 5 bought luxury goods. This virtual reality shopping trend picked up steam during the pandemic and is expected to continue growing.

Some are still splurging. The only group that reported plans to spend more on discretionary goods within the immediate future is millennials making $100,000 or more. Maybe they're still planning revenge travel? All other generations and income levels indicated they plan to spend less on discretionary goods. To be expected, all generations and income levels foresee spending more on essential goods, like gas and groceries.

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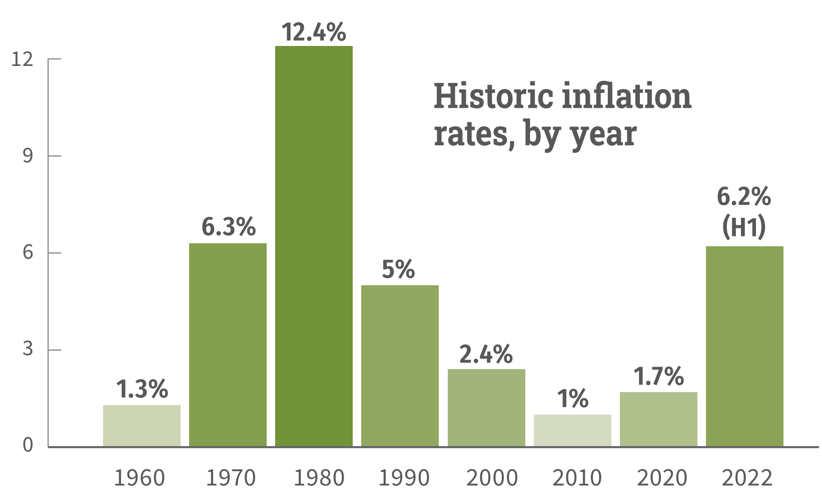
If you're concerned about inflation, now's a good time to check in with your advisor to see if you would benefit from making any changes to your financial plans.



Sources: cnn.com; usinflationcalculator.com; firstinsight.com; pwc.com; data.bls.gov; weforum.org; gwi.com; chainstoreage.com; mckinsey.com

COUNTING ON COLA

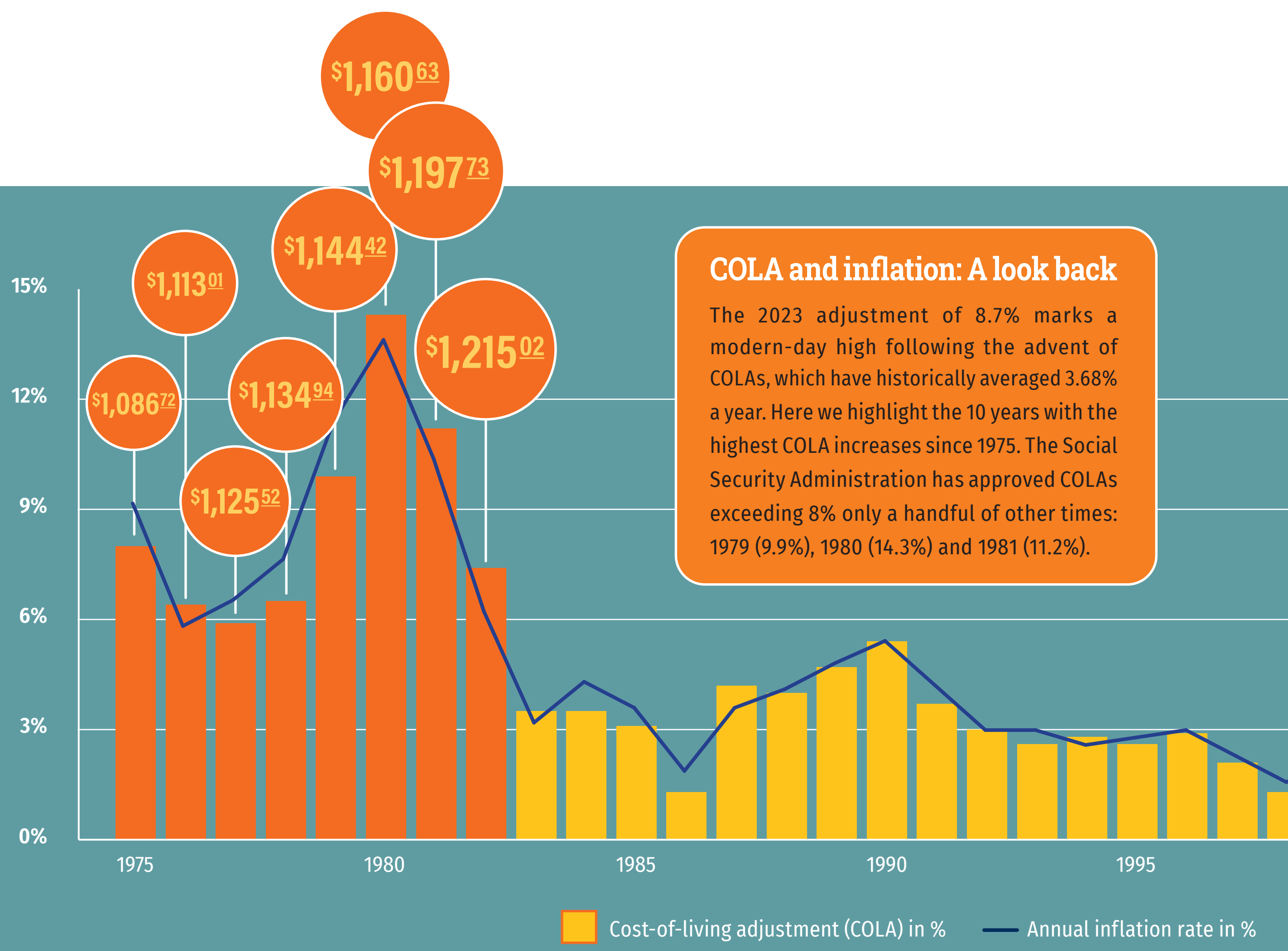
Three things to keep in mind once higher Social Security benefits start rolling in

Retirees will get their biggest "raise" from Social Security in 40 years. The cost-of-living adjustment, often called COLA, came in at 8.7% for 2023, significantly higher percentage-wise than its historical average, in a bid to keep pace with stubbornly high inflation. For context, Social Security and Supplemental Security Income (SSI) recipients saw a 5.9% increase for 2022, and the highest increase on record was 14.3% back in 1980.

The 2023 COLA will apply to 70 million Americans – including 52.3 million people over age 65, as well as a broader group that encompasses survivors of beneficiaries and people receiving disability benefits and SSI, the program for low income people.

The average increase of about $140 per month will likely be a welcome bit of relief for many, although it may not go far enough for the high number of seniors who rely heavily on Social Security as their primary source of income. According to a survey by The Senior Citizens League, inflation has eroded buying power and caused many to dip into emergency savings. Social Security benefits have lost 40% of their buying power since 2000, according to a new analysis by the same group.

"People who have been retired the longest have really been impacted the most, because they've had a cumulative effect where their COLA hasn't been keeping up," Mary Johnson, Social Security and Medicare policy analyst at The Senior Citizens League, told CNBC.



COLA and inflation: A look back

The 2023 adjustment of 8.7% marks a modern-day high following the advent of COLAs, which have historically averaged 3.68% a year. Here we highlight the 10 years with the highest COLA increases since 1975. The Social Security Administration has approved COLAs exceeding 8% only a handful of other times: 1979 (9.9%), 1980 (14.3%) and 1981 (11.2%).

Three things to keep in mind

The 2023 COLA increase might be a double-edged sword for some, as it could be enough to trigger undesirable tax implications and other financial considerations. Those who receive needs-based income assistance, for example, should confirm whether the COLA increase could have any potential negative impact to their benefits eligibility.

COLA increases potentially could trigger larger income-adjusted Medicare premiums if they're enough to push some higher earners into the next tax bracket. For 2022, individuals whose 2020 income exceeded $91,000 ($182,000 for couples) had to pay more for Medicare Parts B and D. In previous years, higher Part B premiums reduced or eliminated the benefit of a COLA increase for some recipients.

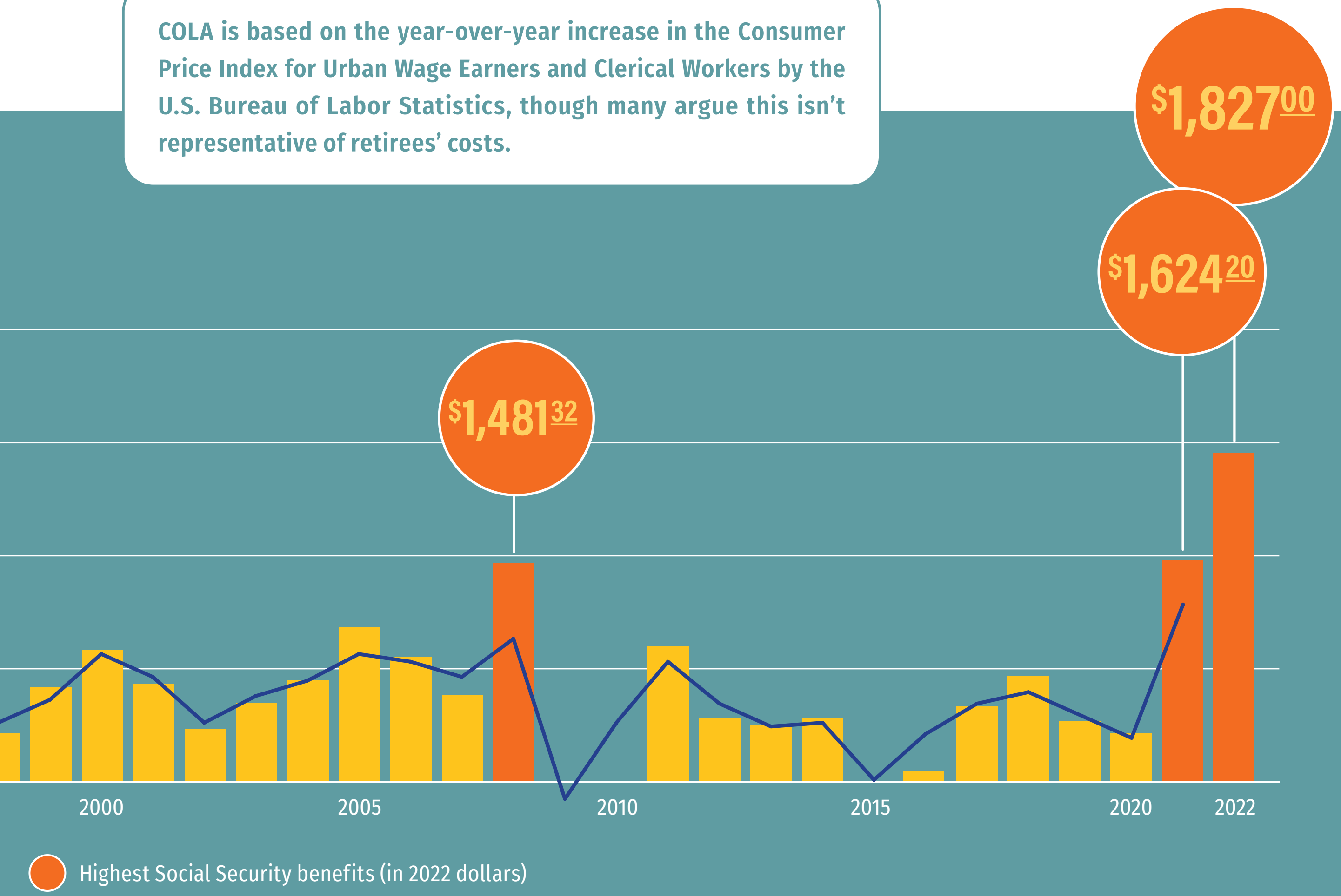
It is worth noting that premiums for Medicare Part B, which covers things like outpatient services, were higher than expected in 2022, climbing 14.5% over 2021. Thankfully, that will not be the case for 2023. Standard Part B premiums for 2023 are expected to be about 3% lower than 2022 levels, so the COLA increase should feel more impactful overall.

For people who are worried about owing the IRS a bit more as a result of the income increase, you have a few options to talk through with your financial advisor and accountant. For example, if you're collecting benefits but not old enough for Medicare, you can try a high-deductible healthcare plan that allows couples to sock away $8,300 into a health savings account, removing that money from their overall taxable income. Those still working may be able to increase contributions to a work-sponsored retirement plan and/or contribute to a traditional IRA to reduce their taxable base.

One last thing to keep in mind: All federal benefits must be direct deposited. So, if you haven't already started receiving benefits, you need to establish electronic transfers to your bank or financial institution. Contact your financial advisor for more information.

Sources: verifythis.com; seattletimes.com; cnbc.com; barrons.com; gobankingrates.com; nytimes.com; Bureau of Labor Statistics

COLA is based on the year-over-year increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers by the U.S. Bureau of Labor Statistics, though many argue this isn't representative of retirees' costs.



12 holiday AIR TRAVEL HACKS

Before you take off, know how to avoid or manage unpleasant surprises

You made it. Sitting around the dinner table with your loved ones, the holiday season is officially in full swing as you feast your eyes and nostrils on the delicious meal being served. With festive music and a crackling fire in the background, it's finally the most wonderful time to catch up and hear what everyone's been up to. If only you had your luggage.

Indeed, 'tis the season of stressful air travel. And if summer was any indicator, passengers and crew may have a lot to contend with when traveling for the holidays. In fact, the Transportation Department stated it received 5,862 airline complaints from consumers in June. That number was up more than a third compared to May and more than three times the amount compared to June of pre-pandemic 2019. Rubbing it in were the prices, which increased nearly 11% for domestic round trips between May and September, compared to the same period in 2019.

Lawmakers, the Transportation Department and consumer advocacy groups have since stepped in on behalf of passengers experiencing delays, cancellations and baggage mishaps. Even the airlines themselves have made policy changes in hopes of easing the pain. But considering the pace of government and the complexities of the airline industry, you may still run into some snags before you take your first bite of turkey. So what should you do?

You can avoid the stress altogether (and have relatives label you a Scrooge) by opting for a holistay at home. You can book your travel, pack loads of patience and cross your fingers. Or you can check this list twice for a few added precautions that could lead to smoother flights, happier landings and greater chances your important belongings don't end up in far, far away places. They may not help you solve every potential tangle, but some might help you find the "nice" should your trip go awry.

Sources: afar.com; bloomberg.com; cnbc.com; elliott.org; forbes.com; onetravel.com; transportation.gov; travelawaits.com; traveloffpath.com

1 RISE EARLY

Like kids on Christmas morning, waking up early might be a good move. Every delay causes ripple effects in the sky, which grow as the day goes on and other airlines experience issues as well. Industry experts therefore recommend you take the earliest flight you can to minimize possible disruptions.

2 PACK LIKE THE WISE MEN

By splitting personal items into different suitcases, you increase the chances everyone will still have some of their necessities if one piece of luggage gets lost.

3 PEEK ALL YOU WANT

Using luggage tracking devices like Apple AirTag or Tile Mate, you can see the location of your bag(s) in real time with your smartphone. While this technology doesn't prevent luggage from being misplaced or mistaken, it can help get it back quicker. You might also want to take photos of your checked bags, which are useful for completing lost and found reports.

4 GET SOCIAL

Some airlines have a dedicated customer service account on social media. Platforms like Twitter can be great for reaching someone quickly and finding solutions when something goes wrong.

5 HAVE A BACKUP PLAN

Make like Santa and Rudolph and have a backup plan. Hardly anyone thinks about travel insurance. At least until 3 a.m. when they're lying on a terminal floor. Often surprisingly affordable, this precaution can cover delayed flights, canceled itineraries, lost or delayed luggage and even your flight cost in case you get sick and can't go. Many even cover the trip should someone get sick along the way.

6 CHECK YOUR LIST & STATUS

Once a day for a few days leading up to your departure and every hour on travel day, check for delays or cancellations. Better to know in advance and shift accordingly than be caught off guard by the airport's flight status monitor.

7 STUFF THOSE STOCKINGS

If you are bumped involuntarily but the airline gets you to your final destination within one hour of your scheduled arrival time, there's no compensation. However, if your arrival time is delayed between one and two hours past your scheduled arrival time (one and four hours for international flights), the airline must pay you at least an amount equal to 200% of the one-way fare to your final destination on that day or $775, whichever is lower.

8 REACH DEEPER

Should your arrival time to your final destination be delayed more than two hours (four hours for international flights), or if the airline declines to make any alternate travel arrangements for you, your minimum compensation doubles (400% of the one-way fare or $1,550, whichever is lower).

9 FIND OUT WHAT'S INSIDE

Your rights as a passenger are outlined on the Department of Transportation's Fly Rights page, providing the knowledge to help you stay cool under pressure. Visit transportation.gov/airconsumer/fly-rights.

10 SWIFT AS SWANS-A-SWIMMING

If nonstop flights are an option, select them. If not, try to make sure your layover is about two hours or longer in case of unexpected issues at connecting airports.

11 STAY CHARGED & READY

With a full battery and extra power cord, your phone won't let you down. Be sure to download your airline's app, which often shows rebooking or refund options if your flight is delayed. You can even program its rebooking number as calling is sometimes faster.

12 DON'T GET SCROOGE-Y

Think twice before letting out your inner Grinch. Calm is a hard place to remain when your holiday plans have been sucker punched. But, remember, gate agents and customer service representatives are also dealing with the stress and probably feel horrible about your circumstances. If you keep this in mind and treat them accordingly, they might just work twice as hard to get you where you want to be. Before midnight.

In mid-July, Delta Air Lines sent an empty plane to London simply to retrieve lost baggage.

"I imagined it to be about 18 feet long, like a slow-moving freight train." Describing this behemoth hammerhead painted from her mind's eye, Suzie Seerey-Lester would certainly know. After all, the scuba diving class she once took as part of a high school career fair led to her becoming the first woman licensed as a diving instructor trainer in the U.S., one who was eventually hired by the CIA, FBI, Secret Service and other law enforcement agencies to train their personnel. Suffice it to say, she is deeply experienced in and on the water.

Working for a national diving organization, Suzie relocated from Washington, D.C., to San Diego, where she enrolled in her first art class. "I had already been painting but didn't really know what I was doing," she tells WorthWhile. As she continued with more workshops, three things blossomed: her skills with a brush, passion for wildlife and love for a fellow artist who eventually became her husband, John Seerey-Lester.

Suzie had seen John's paintings in magazines and signed up for some of his workshops, one of which took place in Guatemala. One early morning, John took four students, including Suzie, over 200 feet up a large tree so they could observe sunrise above the jungle canopy. "We saw temples rise from the mist, parrots and toucans ... it was just magical," she says.

In January 2000, Suzie and John were married. And until John lost his battle to cancer in 2020, they shared countless adventures and donated many paintings to raise money for conservation.

Suzie's evolving career has taken her all over the planet and introduced her to many of its extraordinary creatures. Case in point, the species of shark she refers to as highly mysterious and commonly nonmigratory. "They tend to stay in a general area," she says. "There's a large one that roams not too far from where I live. The local fishermen often spot him stalking their catch."

For "Cruising the Shallows," the painter wanted to show the power and beauty of hammerheads in realistic fashion. The artist used cool blues, greens and grays to create the appearance of crystal clear water. Once dried, she mixed colors into a glaze called Liquin for the final layer. "It gives it a transparent hue as if you're looking right through the water," she says.

Not one to stop evolving, Suzie is now a licensed turtle monitor. Each day she leaves her studio to stroll along the beach, helping ensure these smaller creatures are nesting and taking their first steps safely. To learn more and view additional work, visit seerey-lester.com.

"Cruising the Shallows" by Susan Seerey-Lester
Oil on masonite – 2002, 24" x 36"

The Tom and Mary James/Raymond James Financial Art Collection
One of Florida's largest private art collections, The Tom and Mary James/Raymond James Financial Art Collection is housed at the Raymond James Financial headquarters in St. Petersburg, Florida. The collection includes paintings, drawings, sculptures, graphics and mixed media. A portion of the collection resides at The James Museum of Western & Wildlife Art (visit thejamesmuseum.org). The museum represents the culmination of Tom and Mary's more than 50 years of collecting culturally significant pieces and is a gift to the community.

Gifting with meaning

The last couple of years have brought us countless moments of poignance. Your gifts can too. We all love to give and receive gifts that have consideration poured into them. This holiday season, consider a meaningful moment that will bring cheer any time of year. Below you'll find some ideas – and no doubt some inspiration too – to help you put a unique twist on the gifts you give.

One for the coffee table

Do you ever miss the good old days of browsing through family photo albums? Well, Recently is a monthly photo-printing subscription that puts a modern and convenient spin on the traditional convention by turning digital photos from a smartphone camera roll into a glossy, collection-worthy magazine.

One to bake, eat and share

Family recipes passed down through the generations are almost always unsurpassable. Dust off your grandmother's cherished cookie recipe and share the baked goods with family and friends on a special day or anniversary. The smell alone may bring back wonderful memories, even as you make new ones.

One to remember a special moment

Proposals are a big step in a couple's journey. Honor a special moment on that journey with a detailed memento. For example, if your brother and sister-in-law got engaged atop an Alaskan glacier surrounded by sled dogs, perhaps a snow globe of a similar scene would tug some heart strings. Of course, you can celebrate any memorable moment with a novel, yet meaningful, ornament that symbolizes a special place.

One that could hang in a museum

For centuries people have admired the artistic skill and craftsmanship that go into portrait painting. Why not commission a professional oil painter to create a one-of-a-kind collectible of a loved one or the entire family?

One for the kids (and the kids at heart)

LEGO sets have been a family favorite and a staple under Christmas trees for decades. Did you know you can now upload the photo of a loved one and have it turned into a one-off buildable LEGO mosaic set (made up of 4,500 individual bricks in five colors!)?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