

Winch Report

Winch launches new partnership

We are pleased to announce our new partnership with TD Ameritrade, an alliance that will offer more efficiency and lower costs to our clients.

Clients will receive paperwork to sign via UPS during the week of June 6th. Once they have received this paperwork, **it is critical that all paperwork be signed and returned to Winch Financial by June 17.** As active money managers, we need the paperwork promptly so we can continue to make trades, especially in this volatile market.

Please email us at info@winchfinancial.com which of these three options will work best for you to return the paperwork – mail, drop off, or group meeting.

Many clients have said they prefer simply to mail the paperwork back to us. The packet clients receive from us will have a postage paid envelope to return the paperwork to our office. Please return this paperwork **within 3 days.**

For those clients with questions, or who would like help with their paperwork, we are offering two options:

1. Attend one of our group meetings at the First English Lutheran Church downtown building in Appleton. Please RSVP for these meetings by June 7. The following dates are still available:

- Monday June 13 10 a.m. and 2 p.m.
- Tuesday June 14 noon and 6 p.m.
- Wednesday June 15 6 p.m.
- Thursday June 16 10 a.m. and 2 p.m.
- Friday June 17 8 a.m. and noon.

2. Stop into the office, drop off your paperwork and see your team. Your team consists of Christina, Sam, Sandy, Lyn, Meghan, Beth, Christian and Donna.

The purpose of the group meetings is twofold. We will collect paperwork and answer any questions regarding TD Ameritrade, and Christina will offer an **overview of the market.** If you choose to attend one of these group meetings, please be sure to bring your TD Ameritrade transfer paperwork with you.

Thank you for your kind support.



Office Hours

Because the market will be closed on Monday, May 30 in observance of Memorial Day, our offices will be closed as well.

We will re-open on Tuesday, May 31 and resume our normal office hours.

May God Bless our veterans and the country they protect.

Shrinking federal programs call for specific plans

An annual report released last week suggested that financial problems facing both Social Security and Medicare will surface sooner than expected.

Workers reacting to this report should still focus on building their own retirement portfolio and proceed with caution when mulling how soon to take Social Security benefits.

Almost universally, financial industry experts agree it would be a mistake to claim benefits early to lock in payments in anticipation that the program will run out of money. Taking Social Security prior to age 70 essentially guarantees recipients a lower monthly payment for the rest of their life.

The current situation calls for a more tactical, less emotional, approach to retirement that considers both anticipated income and supplemental protection.

Of the two programs cited in the report, Medicare faces the bigger problem, according to the Social Security and Medicare Board of Trustees. The Medicare trust fund—which covers hospital stays — will be exhausted in 2024, five years earlier than previously thought. With healthcare costs and life expectancy continuing to climb, adequate insurance cov-



erage becomes a major factor in retirement planning.

Meanwhile, the most effective method to maximize Social Security benefits, remains an extended career. By working as long as possible, to delay retirement past age 62 and the normal retirement age, and postpone benefit claims, workers can replace zero-dollar earning years with income. Each recipient's Social Security benefit is based on a 35-year history of earnings. If a person earned money for less than 35 years, then he or she would have zero-dollar earning years. Also, someone who was a low-wage earner when younger and now earns considerably more one can replace low-

earning years with higher earning years. Continuing to work in both scenarios will increase one's Social Security benefit.

The opposite happens when a baby boomer takes Social Security early. A baby boomer that takes Social Security at the age of 62 will get a permanent 25% reduction in benefits.

Another strategic move to maximize Social Security benefits is to watch the timing of bonuses.

The government offers no credit for earnings over the FICA limit (\$106,800 for 2011), so earners at or above that number this year and expecting a bonus might want to defer it to next year to get a better earnings report next year.

Workers anticipating retirement can get an estimate on projected Social Security earnings at www.socialsecurity.gov.

Another critical component is to ramp up retirement savings efforts to supplement Social Security benefits, which may end up being only 75% of the original estimate, according to the annual report.

Now, more than ever, it is critical for both workers and retirees to evaluate their savings plans and investment strategies to confirm maximum growth.

Veteran Winch employee enjoys her busy life

Winch Financial client services specialist Beth Bauman recently returned from a 10-week maternity leave.

This happy development is just the latest in a series of major life changes she's enjoyed during the 12 years she has worked for the company.

Bauman began as a 19-year old student and has evolved into a married mother of three young children.

"This place has seen me graduate from Fox Valley Technical College, get married, buy a house, and have three kids," she said. "The clients have seen all those changes as well and they'll ask me about things related to my life. It's been fun."

Through all those changes, one thing has remained consistent – Bauman's cheerful commitment to her job. She handles data entry and communication for the growing company.

"I really enjoy my job" she said. "Other than a part-time job in high school, I've never worked professionally anywhere else. I like talking to the clients and helping them solve problems. I also like the people I work with."



"This place has seen me graduate from Fox Valley Technical College, get married, buy a house, and have three kids."

Bauman, who gave birth to her third child on January 17th, starts her days early. She generally gets up at 4:40 a.m., wakes the children and gets them ready for their day. She and the two youngest leave the house by 6:25. She drops them off at daycare and gets to work 6:45.

At noon, she wraps up her work at Winch, picks up the kids and returns home.

"Then I work around the house," she said. "I do laundry, do the dishes, change diapers...I take care of all the family related jobs."

The recent move to TD Ameritrade has resulted in an increase in paperwork for the client services department, and a subsequent increase in hours for Bauman.

In general, though, she prefers to end her professional day at lunchtime, while her children are so young.

Bauman's days run long; she doesn't generally go to sleep until between 10 and 11 at night. But, she said she considers her life a blessing.

"I've wanted to be a mother since as long as I can remember," she said.

In addition to four-month old baby Violet, the Bauman family includes husband Ron, six-year old Savanna, four-year old Devon and a 10-year old dog named Shep.

While she thoroughly enjoyed her time home with them, she said the return to work went smoothly.

"The transition went very well," she said. "It was nice to have adult interaction again."

Right now, Bauman is juggling the best of both worlds, a challenging career with the time to enjoy her growing family.

Winch Financial

Founded in Appleton, Wisconsin by Christina Winch more than 30 years ago, Winch Financial has become a nationally recognized, full service financial planning firm.

424 East Wisconsin Avenue
Appleton, WI 54911
920-739-8577
800-640-8010

www.winchfinancial.com



<http://www.facebook.com/pages/Appleton-WI/Winch-Financial/407389700714>



<http://twitter.com/winchfinancial>



www.linkedin.com/company/winchfinancial

Why we're moving to TD Ameritrade

In an effort to offer our clients lower trading fees and more efficient service, we researched many brokers across the country.



For us, all roads led to TD Ameritrade, widely ranked among the top brokers for client service and investment options.

The company recently received a five star rating from Smart Money, a No. 1 overall ranking from Kiplinger's, and the top score in trade technology and portfolio analysis and reports from Barron's.

What does this mean for our clients? It means better service. Under TD Ameritrade we will be able to operate more efficiently, with all of our accounts under a single custodian.

It means lower cost. In general, TD Ameritrade offers lower trading fees. As a firm that specializes in active money management, we are constantly looking for ways to lower costs to our clients. TD Ameritrade offers us that ability.

Finally, it means security. TD Ameritrade provides brokerage and custody services to more

than 4,000 fee-based Independent Registered Investment Advisors. Those we interviewed all highly recommended the company, which offers a 35-year history as proof of its stability.

The move will require some initial paperwork, but will not cost clients anything.

We have negotiated with TD Ameritrade to have any fees associated with the transfer reimbursed directly to our clients. Additionally, we will be able to take advantage of:

- free trades for two months
- \$8 equity trades
- a greater pool of no-transaction fee mutual funds
- free trades for 100 ETFs if held for 30 days. There is a \$19 fee per trade if made within the 30 day period.

We look forward to our new association with TD Ameritrade, one that will be beneficial both to our clients and to us.

If you have any questions regarding this move, or would like more information about TD Ameritrade, please contact us.