DIETZENBACH FINANCIAL
INVESTED IN YOUR FUTURE

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THE ISSUE


Eric and Matt Dietzenbach

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2021 OFFICE UPDATE

Eric Dietzenbach
December 20, 2021

Hello everyone!

Hope all is well with you and your families. Christmas Season is upon us, and I'm sure you are looking forward to traditions and time with your family. As 2021 draws to a close, it is a good time to reflect upon the past year and make plans for next year. At Dietzenbach Financial, our #1 Goal in 2022 is to continue adding value to our Clients & Community. To that end, I'd like to highlight some upcoming meetings and services that could benefit you in 2022 and beyond.

We will be hosting "Hello Retirement" meetings this winter. The meetings will be specific to those who plan to retire in the next 5-10 years or those Retirees seeking additional guidance. This is your opportunity to gather information as you formalize your retirement income plan. We will discuss strategies and introduce our Financial Planning Software, Money Guide Pro. We use this software to help you create retirement scenarios and gauge whether you are on track for success.

We will also be hosting Farm Transition planning meetings this winter. These meetings will be specific to Farmers who are entering the next stage of their farming career and looking to transition to next Generation. This is your opportunity to hear ideas and strategies that have worked for other families.

We have the tools and resources to help you navigate life's financial decisions. See the meeting dates, locations & times below. Please call our office at 563-562-1048 or email ashton@dietzenbachfinancial.com to register in advance. If you prefer a one-on-one meeting, we can schedule that as well. If a Financial Review has been on your mind, let's make it happen in 2022!

Farm Transition Planning

Date	City	Location	Registration	Start
01/25/2022	New Hampton	The Pub	10:30AM	11:00AM
01/26/2022	Elkader	Johnson's Restaurant	10:30AM	11:00AM
01/27/2022	Decorah	Mabes	10:30AM	11:00AM

"Hello Retirement" - Retirement Planning

Date	City	Location	Registration	Start
03/03/2022	West Union	Gus & Tony's	5:00PM	5:30PM
03/09/2022	Cresco	Heritage	5:00PM	5:30PM
03/10/2022	Calmar	Pivo	5:00PM	5:30PM

A 5-step yearly financial checkup

There are all sorts of regular check-ins on your to-do lists, from paying the bills to changing the oil. But when's the last time you reviewed your retirement savings accounts?
If your answer is "I'm not sure" or "Never," you're not alone: Half of Americans are behind on retirement savings, and one in five don't know how well they're progressing.1

You can remedy that by adding a retirement review to your regular list of to-dos.
"It's important to do, at a minimum, an annual financial checkup on your retirement readiness," says Stanley Poorman, a financial professional with Principal®.

Tackling a financial check-in at mid-year may help—taxes aren't due and end-of-year planning hasn't kicked in—but really, whatever is most convenient can work. "This allows you to adjust things like your asset allocation and funding to help you stay on track for one of the largest goals you'll save for—retirement," Poorman says.

Use this five-step list to help shore up the details—big and small.

1. Check all retirement account balances and contributions.

- **Make a list of every retirement account you have,** as well as each account's balance. The list may include plans through your current and former employers and past savings, too.
- **Review how much you're contributing** to your current retirement savings plan. Contribute at least enough to ensure you receive the maximum employer match. If your employer doesn't have a retirement savings plan, you can set up and contribute to a traditional or Roth individual retirement account (IRA).
- **Figure out what income you might have available once you stop working**. The retirement savings you need depends on how long you'll continue working as well as average life span and costs, particularly health care. Consider this: Social Security was created in 1935, when the average life expectancy was just 65.2 Today, we could spend 20 to 30 years (or even more) in retirement.

A 5-step yearly financial checkup continued...

2. Consider retirement account consolidation.

- **Having just one account (and one balance) to check**, which you can get through consolidation, may make it easier to track goals and progress.
- **Not sure how to consolidate? Rolling your accounts into an IRA** or into your current employer's 401(k) plan is one common option.

3. Rebalance your retirement accounts.

- **Automatic rebalancing allocations** on retirement savings redistributes money in an account to pre-set percentages in each investment as originally selected. It's a great way to know your mix of investments continues as you intend, or until you make a change.
- **If you prefer to allocate yourself, consider** rebalancing at least once a year to help ensure your accounts track investment strategies. You may want to consider shifting your mix of investments based on your risk tolerance, retirement age, and available investment options.

4. Review contact information and beneficiaries.

- **Check that every institution has your most current contact information.** That includes both a secure email and a mailing address. If not, log in or call customer service to change it.
- **Review the beneficiaries** on every retirement savings account. People get married (or divorced), have children, or add other family members. To change a beneficiary, you'll need the person's full name and date of birth. (Social Security numbers are a good idea, but not required by every plan.)

5. Safely share retirement account information.

- **Keep all your retirement account information in a secure place.** Those documents are part of your legacy-related paperwork that typically includes items such as wills. A trusted person, such as executor of your estate or lawyer, should know where to access them.

1 https://www.bankrate.com/surveys/financial-security-poll-november-2019/

2 Social Security Administration, https://www.ssa.gov/history/hfaq.html

3 You should consider the differences in investment options and risks, fees and expenses, tax implications, services, and penalty-free withdrawals for your various options. There may be other factors to consider due to your specific needs and situation. You may wish to consult your tax advisor or legal counsel.

Important information

Investment and Insurance products are:

- Not Insured by the FDIC or Any Federal Government Agency
- Not a Deposit or Other Obligation of, or Guaranteed by Credit Union or Bank
- Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested

Asset allocation and diversification do not ensure a profit or protect against a loss.

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WHAT KEY ESTATE PLANNING TOOLS SHOULD I KNOW ABOUT?

By taking steps in advance, you have a greater say in how these questions are answered. And isn't that how it should be?

Wills and trusts are two of the most popular estate planning tools. Both allow you to spell out how you would like your property to be distributed, but they also go far beyond that.

Just about everyone needs a will. Besides enabling you to determine the distribution of your property, a will gives you the opportunity to nominate your executor and guardians for your minor children. If you fail to make such designations through your will, the decisions will probably be left to the courts. Bear in mind that property distributed through your will is subject to probate, which can be a time-consuming and costly process.

Trusts differ from wills in that they are actual legal entities. Like a will, trusts spell out how you want your property distributed. Trusts let you customize the distribution of your estate with the added advantages of property management and probate avoidance. While trusts offer numerous advantages, they incur upfront costs and ongoing administrative fees. The use of trusts involves a complex web of tax rules and regulations. You should consider the counsel of an experienced estate planning professional and your legal and tax advisers before implementing such strategies.

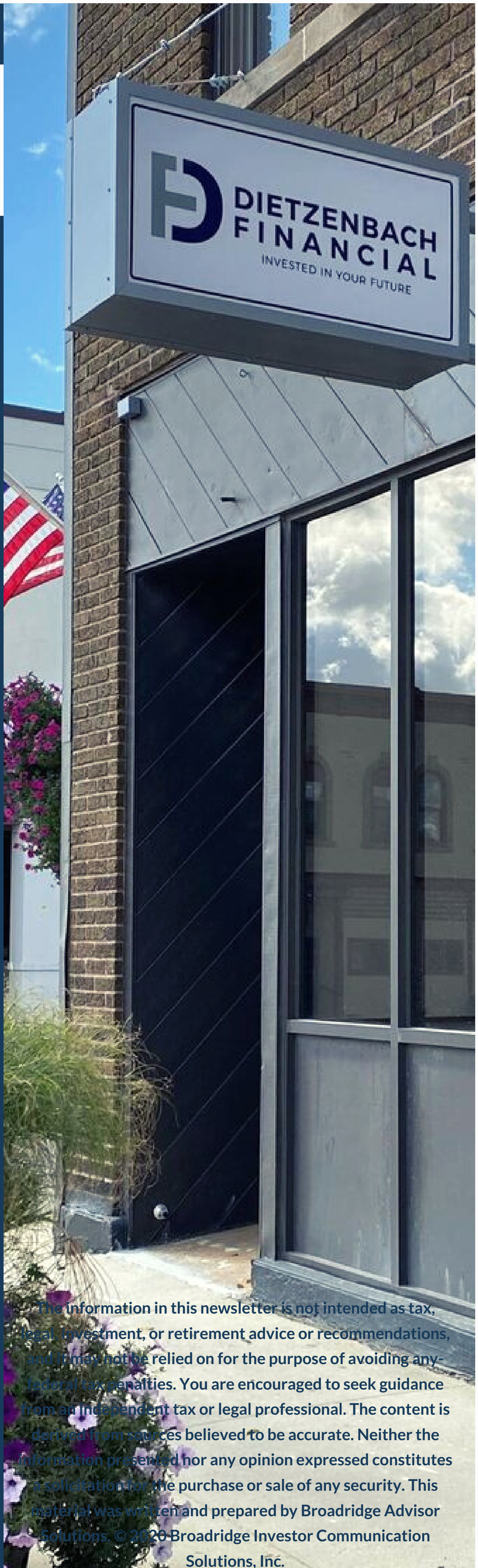
Wills and trusts are not mutually exclusive. While not everyone with a will needs a trust, all those with trusts should have a will as well.

Incapacity poses almost as much of a threat to your financial well-being as death does. Fortunately, there are tools that can help you cope with this threat.

A durable power of attorney is a legal agreement that avoids the need for a conservatorship and enables you to designate who will make your legal and financial decisions if you become incapacitated. Unlike the standard power of attorney, durable powers remain valid if you become incapacitated.

Similar to the durable power of attorney, a health care proxy is a document in which you designate someone to make your health care decisions for you if you are incapacitated. The person you designate can generally make decisions regarding medical facilities, medical treatments, surgery, and a variety of other health care issues. Much like the durable power of attorney, the health care proxy involves some important decisions. Take the utmost care when choosing who will make them.

A related document, the living will, also known as a directive to physicians or a health care directive, spells out the kinds of life-sustaining treatment you will permit in the event of your incapacity. The directive creates an agreement between you and the attending physician. The decision for or against life support is one that only you can make. That makes the living will a valuable estate planning tool. And you may use a living will in conjunction with a durable health care power of attorney. Bear in mind that laws governing the recognition and treatment of living wills may vary from state to state.



What Is an Indexed Annuity?

If you want to limit potential losses while participating in the potentially attractive returns of a market-driven investment but would also like a guaranteed return, an indexed annuity might be worth checking out.

The performance of indexed annuities, also referred to as equity-indexed or fixed-indexed annuities, is tied to an index (for example, the Standard & Poor's 500*). They provide investors with an opportunity to earn interest based on the performance of the index. If the index rises during a specified period in the accumulation phase, the investor participates in the gain. In the event that the market falls and the index posts a loss, the contract value is not affected. The annuity also has a guaranteed minimum rate of return, which is contingent on holding the indexed annuity until the end of the term.

The percentage of an index's gain that investors receive is called the participation rate. The participation rate of an indexed annuity can be anywhere from 50% to 90% or more. A participation rate of 80%, for example, and a 10% gain by the index would result in an 8% gain by the investor.

Some indexed annuities have a cap rate. The maximum rate of interest the annuity will earn, which could potentially lower an investor's gain.

Indexing formula

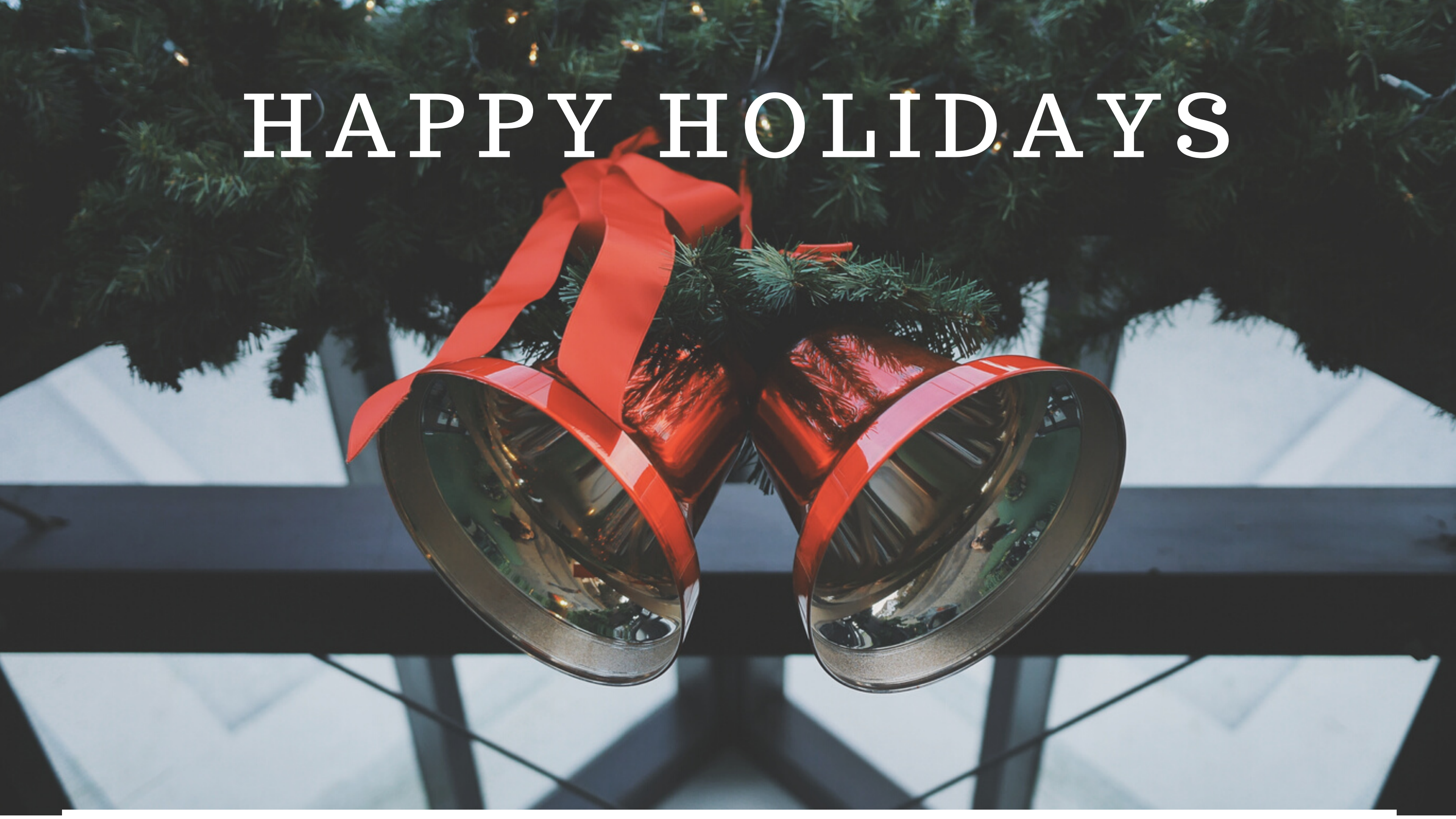
Several formulas are used to calculate the earnings generated by an indexed annuity. These indexing methods can also have an effect on the final return of the annuity. On preset dates, the annuity holder is credited with a percentage of the performance of the index based on one of these formulas.

Annual reset (or ratchet): Based on any increase in index value from the beginning to the end of the year.
Point-to-point: Based on any increase in index value from the beginning to the end of the contract term.
High-water mark: Based on any increase in index value from the index level at the beginning of the contract term to the highest index value at various points during the contract term (often anniversaries of the purchase date).

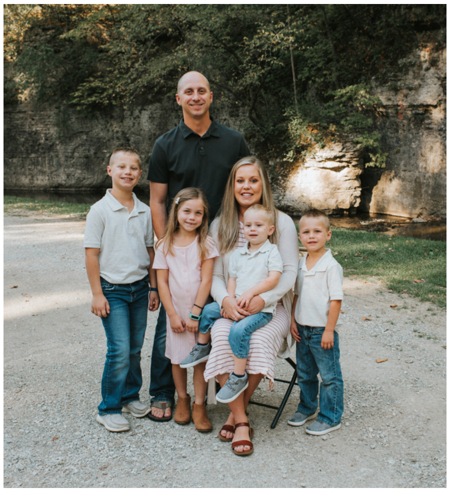
Indexed annuities are not appropriate for every investor. Participation rates are set and limited by the insurance company. Like most annuity contracts, indexed annuities have certain rules, restrictions, and expenses. Some insurance companies reserve the right to change participation rates, cap rates, and other fees either annually or at the start of each contract term. These types of changes could affect the investment return. Because it is possible to lose money in this type of investment, it would be prudent to review how the contract handles these issues before deciding whether to invest.

Most annuities have surrender charges that are assessed during the early years of the contract if the contract owner surrenders the annuity. In addition, withdrawals prior to age 59½ may be subject to a 10% federal income tax penalty. Any guarantees are contingent on the financial strength and claims-paying ability of the issuing insurance company.

** The S&P 500 Index is an unmanaged group of securities that is widely recognized as representative of the U.S. stock market in general. You cannot invest directly in any index, and do not actually own any shares of an index. Past performance is no guarantee of future results.*



FROM OUR FAMILIES TO YOURS



ERIC AND FAMILY

Eric & Andrea Dietzenbach
Cooper (10), Kinley (7), Knox (3), Cole (5)

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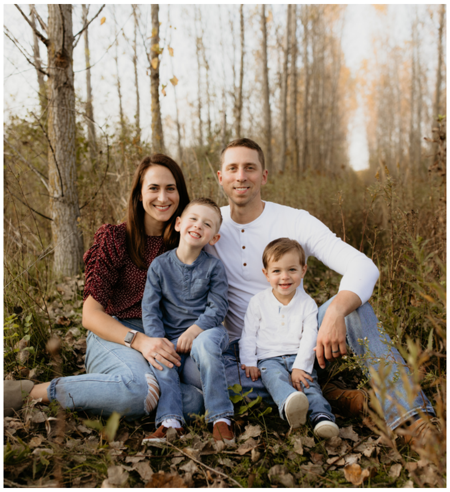
Eric, Ashton, Lee & Matt



MATT AND FAMILY

Matt & Leigh Dietzenbach
Beckett (4) & Calvin (2)

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