



(641) 755-2799



Kristen Crouthamel, AIF® – Financial Advisor

kristen@investgcsb.com

AUGUST 2021

QUARTERLY NEWSLETTER

QUOTE OF THE MONTH

“Strive not to be a success, but rather to be of value.” – ALBERT EINSTEIN

A NOTE FROM KRISTEN



In July this year I celebrated 20 years in the investment advice industry. Without many of my wonderful mentors, coaches and you - our clients and friends - I wouldn't be where I am today. I started out working for advisors and learning the industry from the ground up while still finishing college. The quote above states *“Strive not to be a success, but rather to be of value.”* We'll talk more about the value of working with an advisor in this quarter's newsletter. I believe that if you strive to be of value to your clients or customers, whatever field you are in, the success part will come naturally. I personally feel one of the greatest reasons we add significant value to our clients is that I've been on both sides of the relationship. From a service and support side for both advisors and their clients, to the advising side myself – and many other roles and responsibilities for wealth management firms throughout the years as well. Over seven years ago, I was fortunate to be in the right place at the right time when I learned of the opportunity for the Financial Advisor position at GCSB Investment Center. In addition to being grateful for all of our clients, I am very grateful for the opportunity the management team at Guthrie County State Bank offered me, and the potential they saw in me to bring value to their customers, our community, and to the Bank.

In the third quarter, we'll be sending a survey to our clients to get to know them a little better, so we thought this anniversary was a great time for you to get to know me a little better also! Click [here](#) for an article about this milestone year, what fuels my passion for my career and taking care of our clients, and to learn some fun facts about yours truly.

I hope to spend many more years serving as your trusted, *independent*, financial advisor.

~ Kristen

NAMING MINOR CHILDREN AS BENEFICIARIES

When you list a minor as a beneficiary of life insurance or other assets, some complications can arise that are important to understand and prevent. For example, if you were to die before the minor is legally an adult (typically 18 or 21, depending on their state of residence), then they would not be able to receive the death benefits directly.¹

If a minor becomes the beneficiary of a life insurance payout, the decision regarding what to do with the proceeds is in the hands of the probate court. There, they will name a guardian for the minor's estate, and the guardian retains oversight over the estate and its money until the child reaches the age of majority. It's not an ideal scenario because there are fees associated with the court overseeing the distribution of assets. The process and its associated costs could prevent the money from being utilized the ways you envisioned.¹

Some life insurance, annuity, employer retirement plans and individual retirement accounts allow you to list a “custodian” or “guardian” for the minor child. A custodian serves as the guardian of the money and assets intended for the minor child, making way for valid transfers under the Uniform Transfers to Minors Act (UTMA). A properly designated custodian may make decisions concerning those assets so long as the choices are in the best interests of the minor child. Once the child becomes of age, the assets are turned over to them, and the custodian no longer has a role to play.¹

Drawing up a Will or a Trust can be extremely beneficial when you start your family, to ensure your wishes are carried out in the untimely event of your passing. There are many kinds of trusts, depending on your wishes, whom you would like to be in control of your assets, and how (and to whom) you want your assets distributed after your passing. The beneficiary discussion can become a very complicated subject, especially when it comes to widows with young children, later marriages, naming someone other than your spouse as a beneficiary, etc., so rather than lay out all the “what-ifs”, we advise you to discuss your beneficiary designations and your specific situation with both your financial advisor and your estate planning attorney. It is also wise to review these beneficiary designations and estate planning documents often. Additionally, as we discussed in the [previous newsletter](#), laws can often change (such as the SECURE act passed in late 2019), which may change how you want to distribute your assets as well.

Citations & Resources:

1 - <https://havenlife.com/blog/minor-beneficiary-of-life-insurance/>

2 - <https://www.investopedia.com/articles/personal-finance/022516/be-smart-naming-beneficiaries-your-401k.asp>

THE VALUE OF AN ADVISOR

What is a relationship with a financial professional worth to an investor? A study by Vanguard, one of the world’s largest money managers, attempted to answer that question. Vanguard concluded that when an investor works with a professional and receives that level of investment advice, they may see a net portfolio return over 3% higher over time.

How did this study arrive at that conclusion? By comparing self-directed investor accounts to this model, Vanguard found that the potential return relative to the average investor experience was higher for individuals who had financial professionals.

Vanguard analyzed three key services that a professional may provide:

- **Portfolio Construction** - It estimated that portfolio construction advice (e.g., asset allocation, asset location) could add up to 1.2% in additional return.
- **Wealth Management** - (e.g., rebalancing, drawdown strategies) May contribute over 1% in additional return.
- **Behavioral Coaching** - The largest opportunity to add value was in behavioral coaching, which was estimated to be worth about 1.5% in additional return. Financial professionals can use their insight to guide clients away from poor decisions, such as accepting excessive risk in a portfolio. Alternatively, the greatest value of a financial professional may be advising clients not to abandon markets when volatility rears its head and helping individuals adhere to an agreed-upon financial and investment strategy.

Another firm we work with, Russell Investments, also put together a study with similar statistics and figures, and adds that tax-smart planning and investing and a customized client experience and planning also adds significant value to your overall investment plan (in addition to the above factors). Their totals added up 4.83% additional value when working with an advisor.

After years of working with a financial advisor, the value of a relationship may be measured in both tangible and intangible ways. Many such investors are grateful they are not “going it alone.” Contact us today to see what kind of value we can provide to your overall investment strategy, wealth management and planning.

RECIPE CORNER



LEMON-BLUEBERRY CUPCAKES

You can't go wrong with lemons, blueberries and a lemony butter-cream frosting, all topped with more fresh blueberries!

INGREDIENTS

CUPCAKES

- 1 box Betty Crocker™ Super Moist™ lemon cake mix
- 1 ½ cups fresh blueberries
- ¾ cup water
- ⅓ cup vegetable oil
- 1 tablespoon grated lemon peel
- 2 eggs
- 1 package (3 oz) cream cheese, softened

FROSTING AND GARNISH

- 2 ½ cups powdered sugar
- ¾ cup unsalted butter, softened
- 1 teaspoon grated lemon peel
- ½ teaspoon kosher (coarse) salt
- 1 ¼ teaspoons vanilla
- 1 tablespoon milk
- 1 cup fresh blueberries
- Lemon peel, if desired
- Fresh mint leaves, if desired

DIRECTIONS:

1. Heat oven to 375°F (350°F for dark or nonstick pans). Place paper baking cup in each of 24 regular-size muffin cups.
2. In small bowl, gently toss 2 tablespoons of the dry cake mix with 1 ½ cups blueberries to coat; set aside.
3. In large bowl, beat remaining dry cake mix, water, oil, 1 tablespoon grated lemon peel, eggs and cream cheese with electric mixer on low speed 30 seconds, then on medium speed 2 minutes, scraping bowl occasionally. Fold blueberry mixture into batter. Divide batter evenly among muffin cups.
4. Bake 17 to 23 minutes or until tops are golden brown and toothpick inserted in center comes out clean. Cool 5 minutes; remove from pan to cooling rack. Cool completely, about 1 hour.
5. In medium bowl, beat powdered sugar, butter, 1 teaspoon lemon peel, the salt, vanilla and 1 tablespoon milk on high speed for about 4 minutes or until smooth and well blended, adding more milk by teaspoonful if needed. Frost cupcakes with frosting. Garnish with 1 cup blueberries, the lemon peel and mint leaves. Store in airtight container at room temperature.

EXPERT TIPS

Unsalted butter tastes a little sweeter than the more common salted butter. We added the coarse salt for small bursts of saltiness to complement the sweetness of the other ingredients and to bring out the lemon flavor. If you don't have unsalted butter, salted butter can be used and omit the kosher salt.

Prep Time: 25 minutes

Total Time: 1 hr, 55 minutes

<https://www.bettycrocker.com/recipes/lemon-blueberry-cupcakes/e71263b1-b33f-4051-b4a6-ed5d6275e90a>

SUMMER PHOTOS!

Triple 'celebrity' sightings: I recently had a chance to meet [First Trust Portfolios Chief Economist Brian Wesbury](#) at a Financial Forum workshop (middle photo). The next day, I bumped into local Iowa celebrities and WHO-TV broadcasters, Ed Wilson and Keith Murphy, while I was on vacation (left photo). They told me how much fun they had at RVTV at Panora / Lake Panorama a few years ago and would love to come back! The very next day I bumped into Piff the Magic Dragon, his assistant Jade Simone, and his dog, Piffles (right photo). Piff (John van der Put) is a magician and comedian who competed on America's Got Talent Season 10 and finished in the top 10!



IN CASE YOU MISSED IT

Click the below links to access the following newsletters on our [website](#).

[Retirement In-Sight](#) – Monthly Archive– Information for age 55+; nearing or in retirement

[Latest News](#) – New articles published regularly. Here's what we've posted most recently:

- ✓ [A 6.1% Bump in Social Security?](#)
- ✓ [Retirement Confidence Survey](#)
- ✓ [Investing During Periods of Inflation](#)
- ✓ [College Funding Options](#)
- ✓ [Q2 Newsletter](#)
- ✓ [Q1 Newsletter](#)

To receive our Quarterly Newsletter, Retirement In-Sight Monthly, and/or brief Monthly Economic Updates directly to your email inbox, visit www.investgcsb.com and sign up on the home page in the bottom left-hand corner for the publications you would like. It's that easy!

Connect with us on Social Media also! Click on any of the below links to like or follow us.



Kristen Crouthamel may be reached at (641) 755-2799 or kristen@investgcsb.com
www.investgcsb.com

Securities offered through Registered Representatives of Cambridge Investment Research, Inc., a broker-dealer, member FINRA/SIPC. Advisory services offered through Cambridge Investment Research Advisors, Inc., a Registered Investment Adviser. GCSB Investment Center and Cambridge are not affiliated. Non-deposit investment products are not FDIC insured, not bank guaranteed, and may lose value. Discussion of tax topics is general in nature and should not be construed as tax or legal advice. Please consult your attorney or tax professional regarding your specific situation. Diversification and asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns and cannot assure profit or protect against a loss. Kristen Crouthamel is licensed in AZ, FL, IA, KS, LA, MI, NE, NV, OH, OR, and TX.

Portions of this material were prepared by MarketingPro, Inc., and do not necessarily represent the views of the presenting party, nor their affiliates. This information has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. MarketingPro, Inc. is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such.