

Match Your 'Wealth Span' to Your 'Health Span'

By Drew Deimel
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ONE OF THE WAYS we look at our job at HBKS® Wealth Advisors is to prepare our clients for three potential life situations: dying too early, becoming disabled, and living longer than expected.

DYING TOO EARLY

We protect against an early death by buying enough life insurance to cover your future income, to ensure that if something unfortunate or unexpected happens, your family will be okay financially. Group coverage from an employer — typically a benefit of two times your annual salary — won't provide nearly enough for your family to live on into the future, nor will it go with you if you leave that job. For that reason, we recommend an individual life policy, term or whole, with enough life insurance to meet your beneficiaries' goals and objectives. We want to capture these individual policies at a young age to decrease the risk of underwriting, since the older you get, the more difficult it could be to get life insurance.

BECOMING DISABLED

We protect you against becoming too disabled to work with disability insurance, again to ensure you and your family will have sufficient future income. Most often, group coverage from your employer won't provide enough of what you actually need to live on. Group coverage usually provides 60 percent of your salary, capped at \$10,000 a month — and is taxable, as the employer is paying the premium. We want to make sure you have your own individual "true own occupation" disability policy covering the difference between the employer benefit and your salary. The individual policy provides benefits typically up to age 65.

LIVING LONGER THAN EXPECTED (aka "WEALTH SPAN")

My father, Dr. Joseph Deimel, who retired last year after 49 years of family practice, recently presented me with some interesting information regarding life expectancy, or "life span," and "wealth span." Life expectancy, the average age people live to, is





As medical science looks to extend a healthy life span by 20-30 years, you need to create a wealth span that matches.

currently 77. Medical science is working on “health span,” living longer healthy, which could be 20 to 30 additional years. Such a scenario requires financial advisors to be able to create a wealth span that matches a health span.

ENHANCING HEALTH AND WEALTH: STRENGTHENING YOUR WELL-BEING AND FINANCIAL FUTURE

Health span involves many factors that mimic economic factors in wealth span.

1. Health Span: Exercise Training

Exercising 30 minutes a day has the greatest influence on how you live the rest of your life. It creates life extension by increasing VO2 max (oxygen) which increases muscle mass.

Wealth Span: Investment Training

Meeting with your investment advisor 30 minutes each quarter to review your portfolio and financial plan will increase the probability of actually following your plan in retirement. More people spend more time researching vacations than reviewing their financial plan.

2. Health Span: Nutrition

- Carbohydrates: Your primary energy source, but too many carbs (sugar) can lead to diseases, including hardening of the arteries, diabetes, heart disease, and fatty liver disease.
- Protein: You need essentially nine amino acids in a healthy diet for muscle growth.
- Fats: Good fats — such as fish oil and olive oil — contribute to a healthy cardiovascular system.

Wealth Span: Investment Portfolio

- Diversification: A healthy portfolio diversifies your investments across many asset classes. An overload in one investment class or stock increases risk and can result cause in extreme volatility in your portfolio. Making sure you are well diversified can ultimately reduce volatility and increase your returns over the years.
- Best-In-Class Investments: At HBKS, we have access to the world of investments. We don't have proprietary products to push like most brokers, and we don't take commissions on the investment products we buy for your portfolio. As an independent registered investment advisory and fiduciary, we are obligated to put our client's interests ahead of our own, to do what is right and best for our clients.
- Capabilities/System: We are a multi-disciplinary firm providing comprehensive financial services and wealth management. Offering multiple core capabilities sets us apart from other firms.

Carrying
disability
insurance
offers financial
security
and peace
of mind.



HBKS Wealth Advisors' services include:

- Financial Planning
- Investment Management
- Private Equity/Private Credit
- Retirement Planning
- Estate Planning
- Insurances
- Succession Planning
- Corporate finance

HBK CPAs & Consultants' services include:

- Accounting/CPAs
- Construction Division
- Assurance
- Risk Advisory Solutions
- Valuation/Litigation/Forensic
- IT Consulting
- Leadership Development

3. Health Span: Medicine/Senolytics

Eliminate senescent cells (dying cells) that can no longer multiply and divide.

Wealth Span: Financial Plan

Just as doctors look at the whole body, we consider your whole financial world by creating a financial plan, the backbone of your financial structure. During the planning process we set goals and objectives for what you want to achieve throughout your life, then adjust your plan and portfolio as your life's circumstances change.

4. Health Span: Decrease Stress and Anxiety

Decrease cortisol and stress levels; if elevated, they can cause inflammation, aging, and cancer.

Wealth Span: Advisory

A question we're asked by most of our clients: "Are we going to be okay?" Our job as advisors is to make sure you are going to be okay, through up-markets, sideways-markets, and down-markets. We do this by making sure we meet with you on a consistent basis to review your financial plan.

5. Health Span: Sleep

Getting eight hours of rest per night increases REM sleep, which ultimately adds to health span and life extension.

Wealth Span: We're Here

We are always here for you, so you can sleep at night.

6. Health Span: Eliminate/Reduce Alcohol and Tobacco

These toxic chemicals can cause cancer, coronary artery disease, and cirrhosis, which ultimately shortens lifespan.

Wealth Span: Eliminate/Reduce Overspending

Overspending can destroy your financial plan, delay your retirement date, and jeopardize your retirement lifestyle. We look to reduce overspending as we work with you to create your financial plan. We look at assets, liabilities (debt), and your net worth over time. Increasing assets and reducing or eliminating debt increases your net worth.



7. Health Span: Mitochondria

Intracellular organelles that produce energy need to be kept free of excess by-products.

Wealth Span: Stick to Your Plan

You will encounter opportunities to make investments outside your financial plan. But sticking to your plan is the best scenario. Committing to investments you do not understand can be a poor decision that pushes your retirement back many years. Sticking to your plan creates the power “energy” of compounding interest; you not only earn money on the principal amount, but on the accrued interest.

We can help you ensure your wealth span will match your health span. For more information or to schedule a meeting with an HBKS wealth advisor, contact us at (814) 459-1116 or email me at ddeimel@hbkswealth.com.

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Drew Deimel is a financial advisor with HBKS Wealth Advisors. He works with clients from the firm's Erie, Pennsylvania, office, providing comprehensive financial planning, investment proposals, retirement planning and insurance management.

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