



# Saving and Investing for Your Future

By: Neil A. Wilson

Chairman of Trustees and Chief  
Investment Officer, Private Family Office



[Silveroakfund.com](http://Silveroakfund.com)

---

# Disclaimer

---

This information represents the opinion of Silver Oak Fund L.P.. The views are subject to change at any time based on market or other conditions and are current as of the date indicated on the materials. This is not intended to be a forecast of future events or guarantee of future results. It is not intended to provide specific advice or to be construed as an offering of securities or recommendation to invest. Not for use as a primary basis of investment decisions. Not to be construed to meet the needs of any particular investor. Not a representation or solicitation or an offer to sell/buy any security. Investors should consult with their investment professional for advice concerning their particular situation. The factual information provided has been obtained from sources believed to be reliable, but is not guaranteed as to accuracy or completeness. Silver Oak Fund LLC is not affiliated or associated with any organizations mentioned.

Based on our strategic approach to creating diversified portfolios, guidelines are in place concerning the construction of portfolios and how investments should be allocated to specific asset classes based on Silver Oaks goals, objectives and tolerance for risk. Diversification and asset allocation do not guarantee returns or protect against losses. Past performance is no guarantee of future results. All performance data, while obtained from sources deemed to be reliable, are not guaranteed for accuracy. Indexes shown are unmanaged and are not available for direct investment. The S&P 500 Index consists of 500 widely traded stocks that are considered to represent the performance of the U.S. stock market in general.

Silver Oak Fund L.P. and its representatives do not provide tax or legal advice. Your tax and financial situation is unique. You should consult your tax and/or legal advisor for advice and information concerning your particular situation.

**Investment products and services are:**

NOT A DEPOSIT | NOT FDIC INSURED |  
MAY LOSE VALUE | NOT BANK GUARANTEED | NOT INSURED BY ANY  
FEDERAL GOVERNMENT OR AGENCY

# Today's Topics

---

Managing Debt and Credit

---

Saving and Investing

---

Investment Products

---

Planning for Retirement

---

Tips to Avoid Fraud

---

# Managing Debt and Credit

---



# Knowing the Cost of Credit

2021: \$2000



Paid in full up front

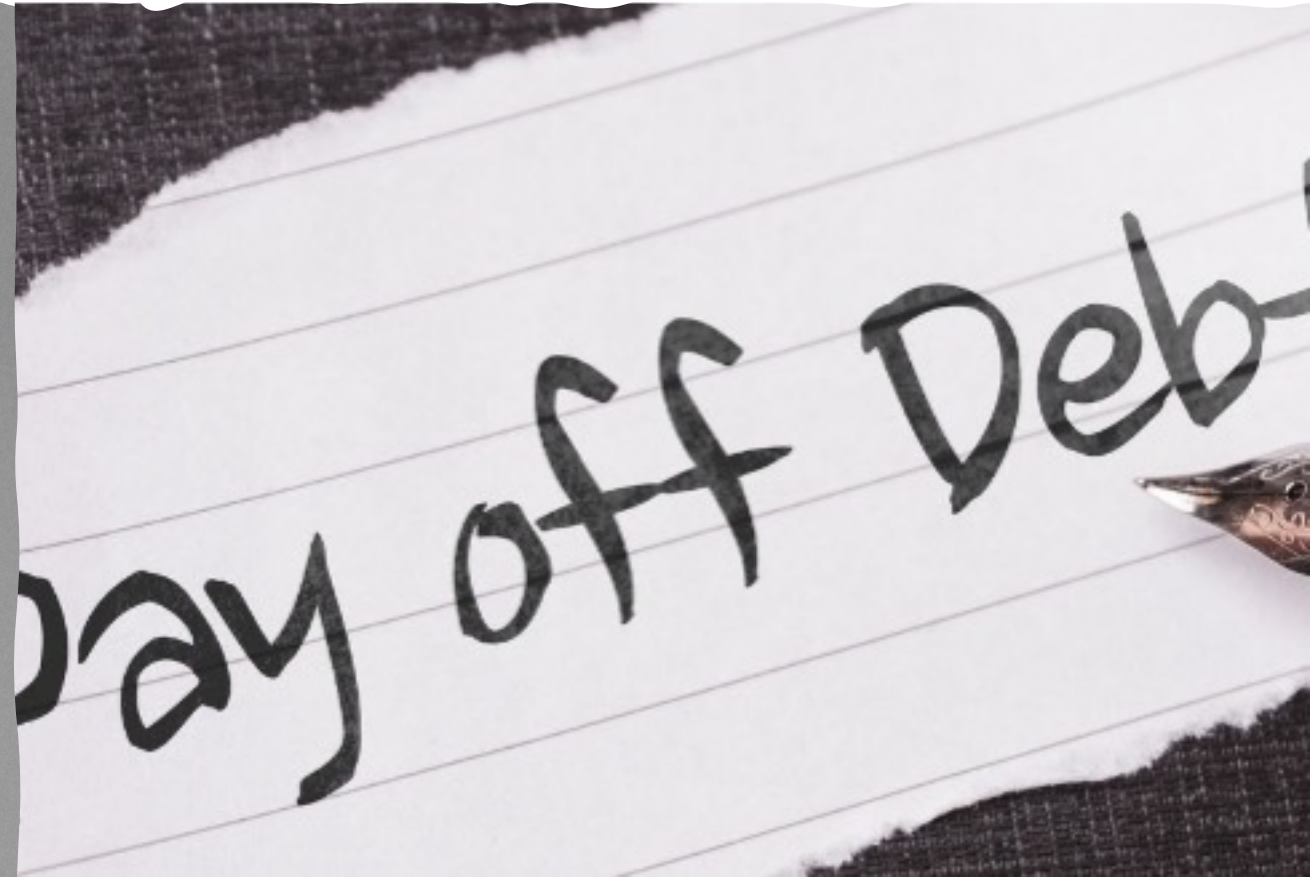
2026: \$2850



Paid only \$50 each month

# Pay Off High-Interest Debt

- The interest you pay every month to credit card companies can be higher than the amount that investments may earn



# Ideal Debt/Credit Cycle

---



PAY DEBT



ESTABLISH  
CREDIT



IMPROVE  
SCORE



INCUR DEBT



# Credit Score = Financial Barometer



- Poor Score = 300
- Excellent Score = 850



# Impact of Credit Score

## \$200,000 30-Year Mortgage

### Score of 760-850

Rate: 2.337%

Monthly payment: \$773

Final cost of payments:

**\$278,000**

### Score of 620-639

Rate: 3.926%

Monthly payment: \$946

Final cost of payments:

**\$341,000**



# Tips to Improve Your Credit Score

---

- Pay your bills on time, every time
- Don't get close to your credit limit
- A long credit history will help your score
- Only apply for credit that you need
- Check your credit report regularly and make sure the information is correct at [AnnualCreditReport.com](https://www.annualcreditreport.com)

# Saving and Investing

---



# Zero-Based Budgeting

---

- Is a method of budgeting in which all expenses must be justified for each new period and starting with ZERO
- Zero-based budgeting can help lower costs by avoiding blanket increases or decreases to a prior period's budget.
- Its easy to do once you put a procedure in place.
- Creates a pathway to savings for your family
- Helps you understand and allocate your costs
- Creates discipline towards security for yourself
- Stops lifestyle unnecessary spending on meretricious items.



# Smart Money Management Begins with Saving

---

- Saving is important for:
  - Emergencies
  - Education
  - Big Purchases
  - Family
- [Consumption vs. Investment](#)



# Emergency Fund

---

- Save enough to have a buffer for life's unexpected expenses:
  - **Set a savings goal**, such as 3-6 months of living expenses
  - **Take advantage of one-time opportunities**, such as tax refunds or bonuses
  - **Save automatically**, such as by setting up a direct deposit to a savings account with each paycheck



# Why Not Just Save?



1996 Ford Mustang  
Convertible GT

**\$23,495 MSRP**

Source: Autotrader.com



2021 Ford Mustang  
Convertible GT

**Starting at \$46,815**

Source: Autotrader.com

# Saving vs. Investing

---



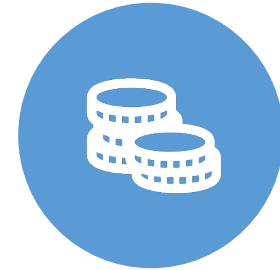
**SAVING:**



THE MONEY YOU EARN  
BUT DON'T SPEND

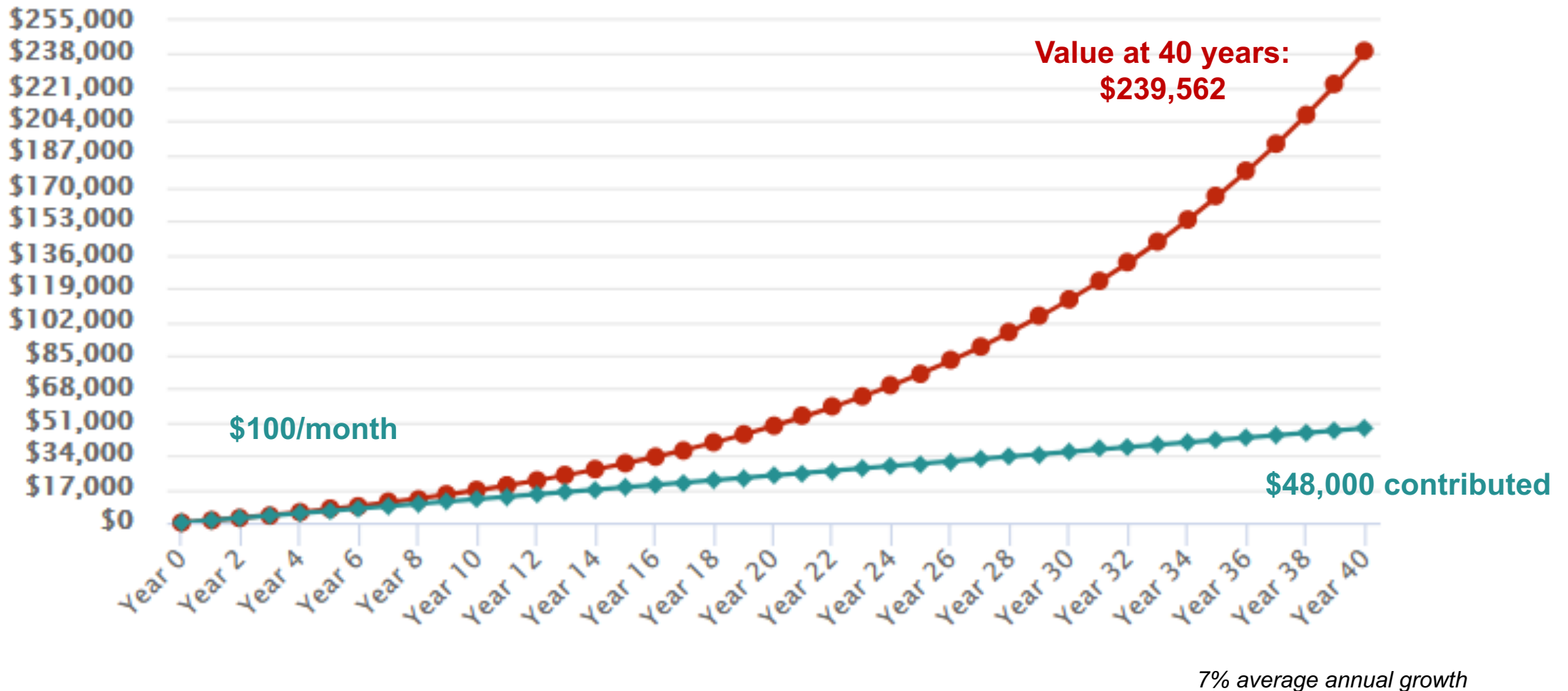


**INVESTING:**



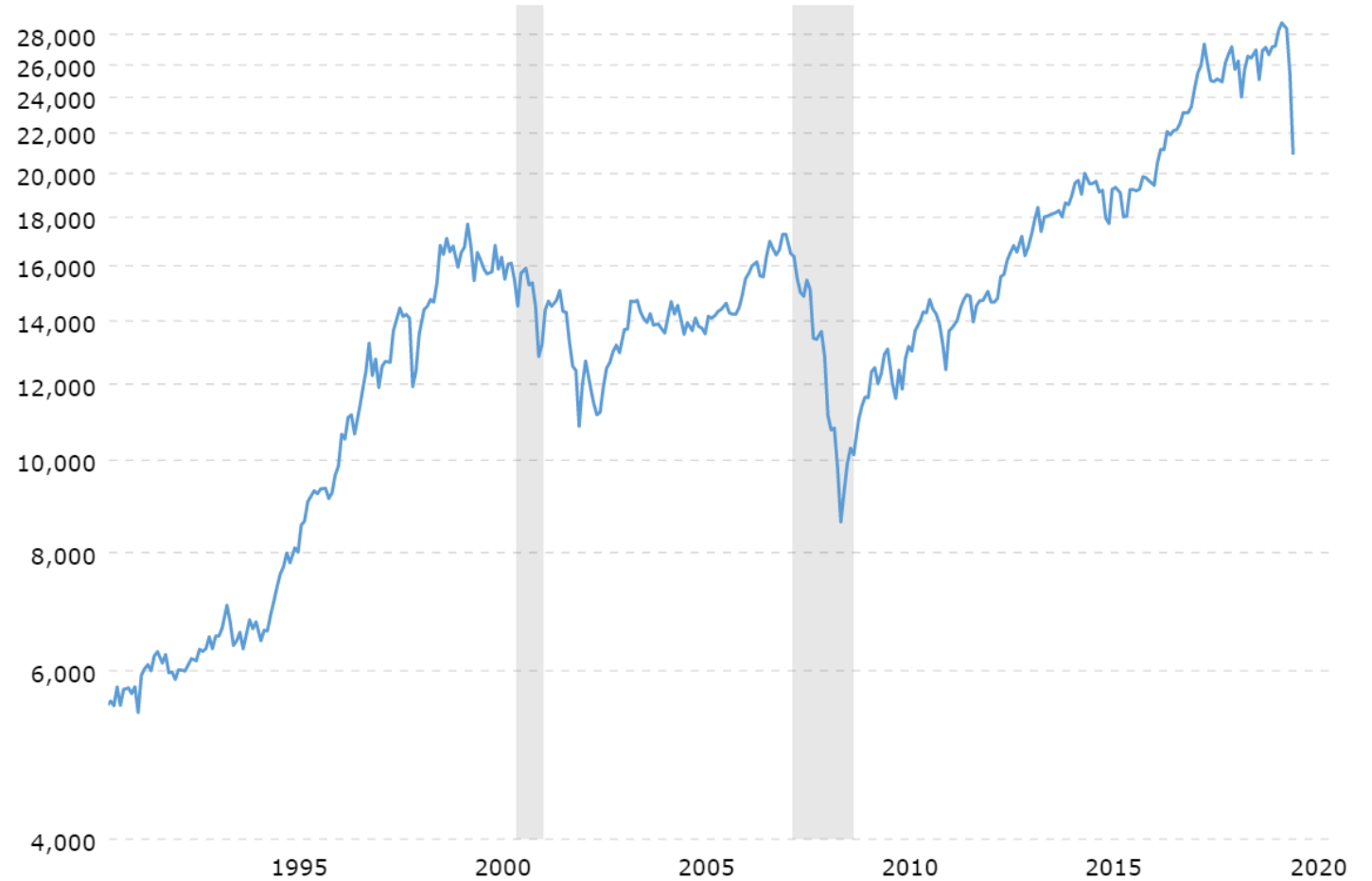
MAKING THAT MONEY  
GROW

# Example of Compound Growth



# Dow Jones Over 30 Years

---



# The Power of Starting Early

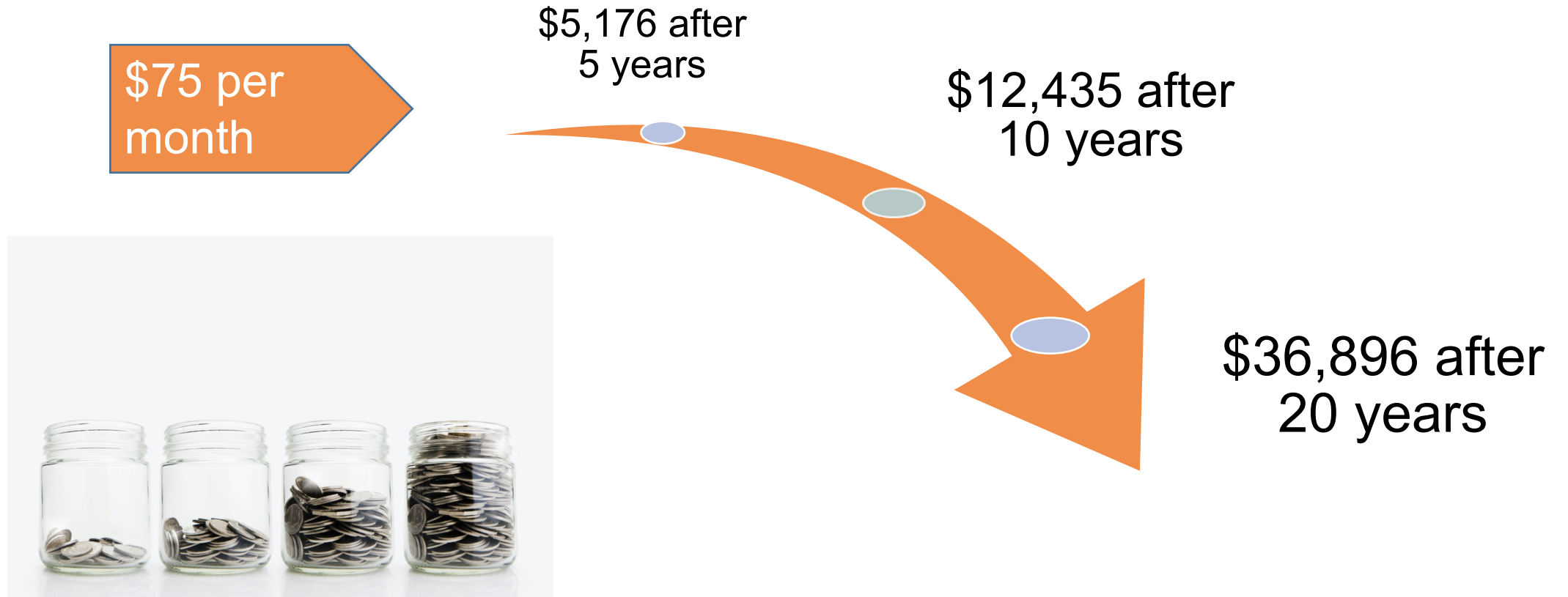
The earlier you start, the less money you need to invest to reach your goals

AGE	\$250,000 by 65	\$500,000 by 65
Age 25	\$104/month	\$209/month
Age 35	\$221/month	\$441/month
Age 45	\$508/month	\$1,016/month
Age 55	\$1,508/month	\$3,016/month

*Assumes 7% rate of growth*

*Source: Investor.gov Savings Goal Calculator*

# Automate Your Saving and Investing



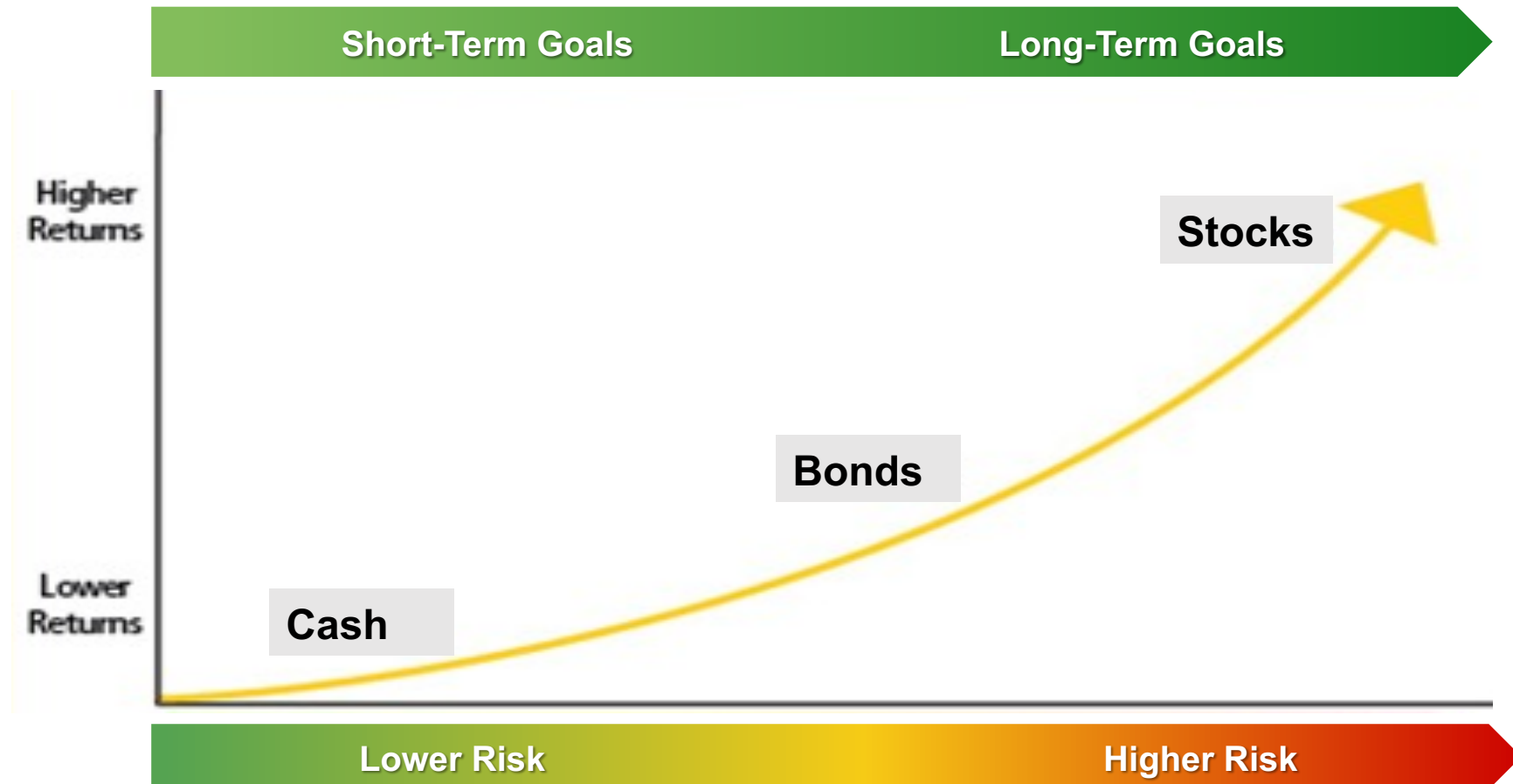


# Investment Products

All Investments  
Have...



# Investment Risks/Returns



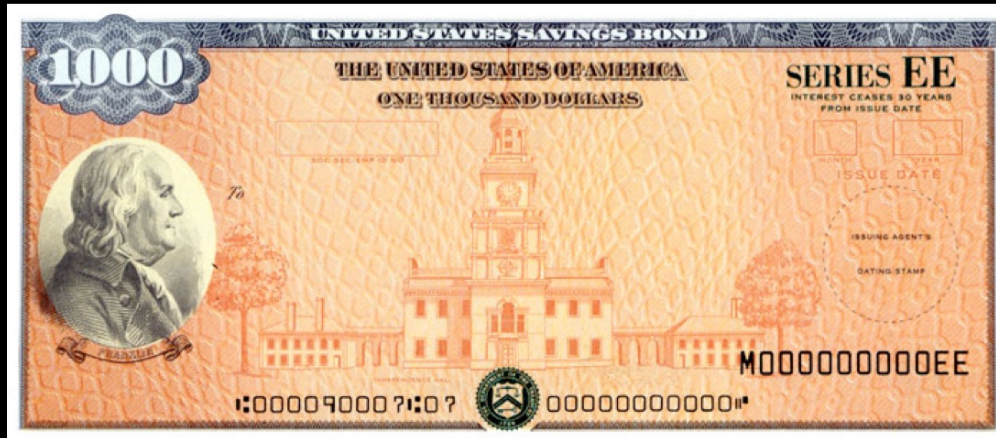
# Stocks

---

- Stocks, also called “equities,” give stockholders a share of ownership in a company
- **Benefits:**
  - Share price can increase
  - Some stocks can pay dividends
  - Ability to vote shares
- **Risks:**
  - Share price can decrease
  - Companies can go bankrupt

[Risk Vs. Reward](#)





## Bonds

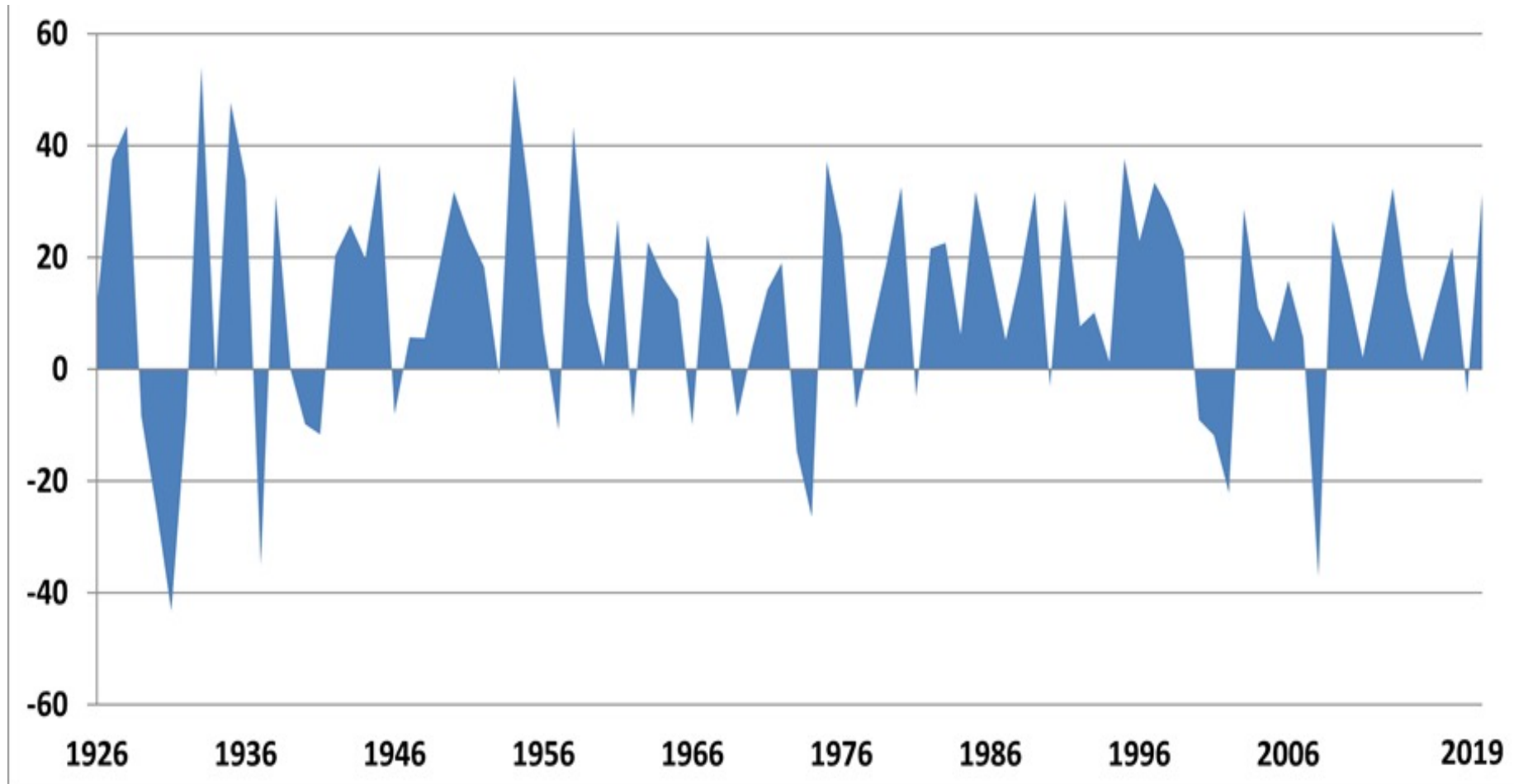
- Bonds are like loans you make to a government or corporation on which you receive interest payments for a period of time
- **Benefits:**
  - Predictable income stream
  - Return of principal after bond matures
- **Risks:**
  - Inflation risk
  - The issuer may “call” the bond
  - Issuers may go bankrupt

# Mutual Funds and Exchange- Traded Funds (ETFs)

- Pools of money invested by an investment company in stocks, bonds or other securities – or some combination of those investments
  - **Benefits:**
    - Diversification, professional management, affordability
  - **Risks:**
    - Typically, the same as the underlying securities

# Time: Friend or Foe?

**U.S. Large Stock Performance (1926-2019)**



# Managing Risk

---

Manage risk with asset allocation and diversification



# Asset Allocation

Asset allocation involves dividing an investment portfolio among different asset categories, such as stocks, bonds, and cash

## Time Horizon

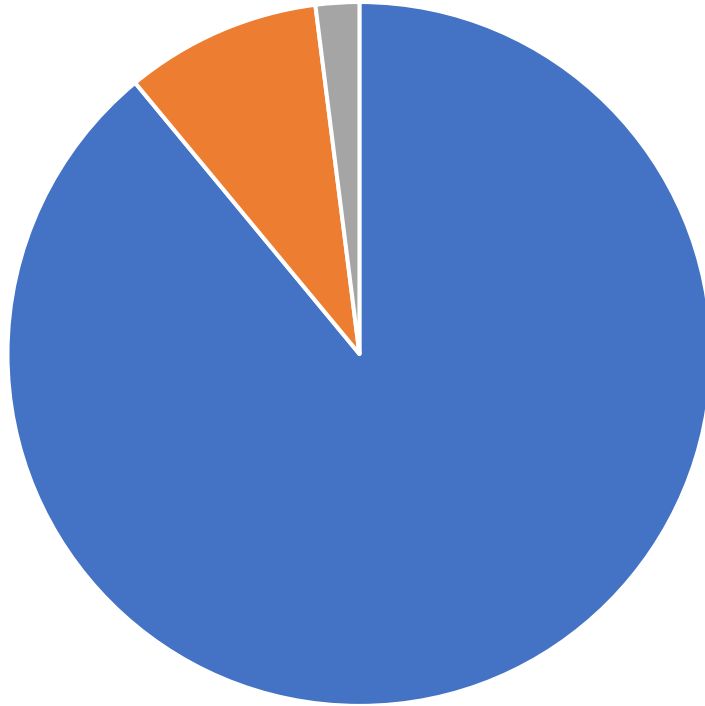
August 2055						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## Risk Tolerance



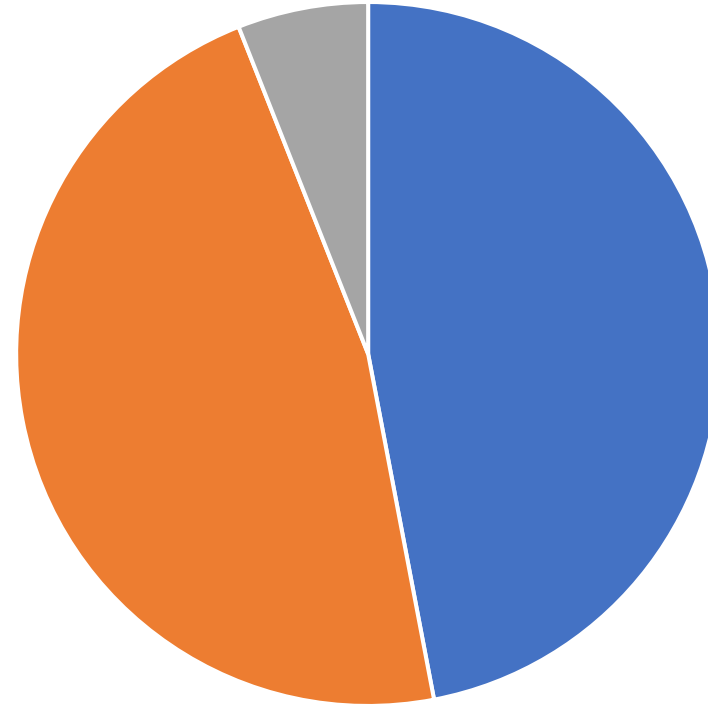
# Longer-Term Goals and Shorter-Term Goals

SAMPLE 2050 ALLOCATION



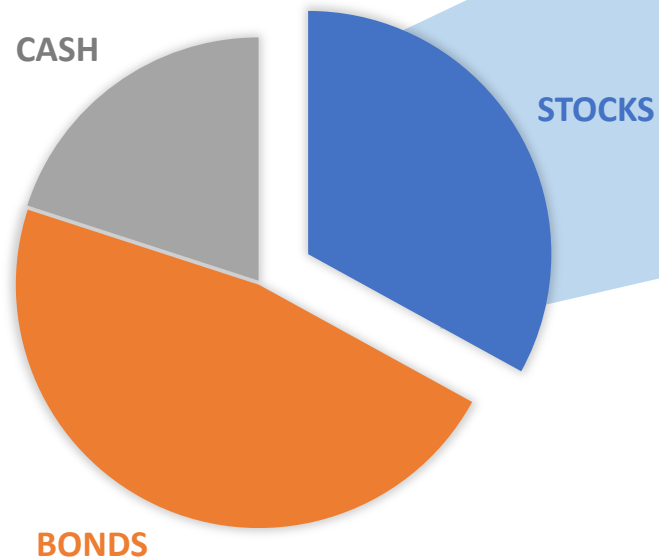
■ Stocks ■ Bonds ■ Cash

SAMPLE 2025 ALLOCATION

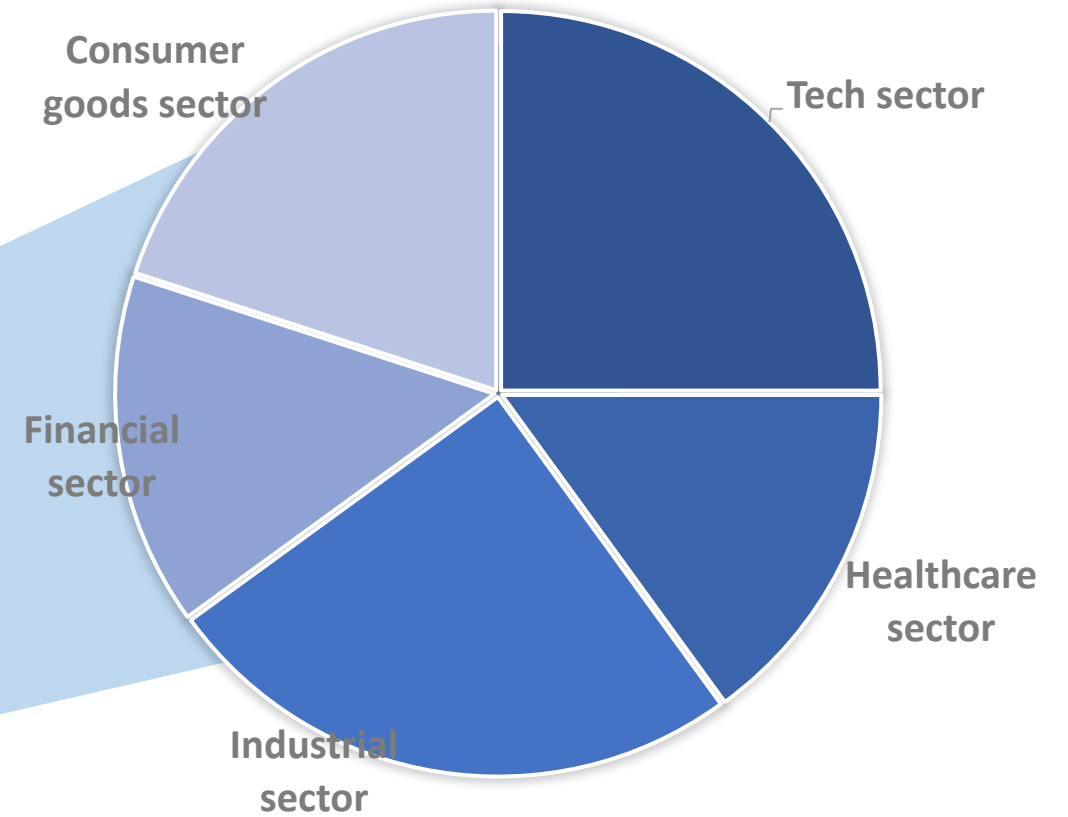


■ Stocks ■ Bonds ■ Cash

## EXAMPLE OF ASSET ALLOCATION



## EXAMPLE OF DIVERSIFICATION



[Test your portfolios weight](#)

- *While any given company or sector may go down, others may go up*

# Investment Fees Impact Your Return

---

## **FEES:**

A 3% fee = 30% of your portfolio gains

A 2% fee = 20% of your portfolio gains

A 1% fee = 10% of your portfolio gains



# Impact of Fees

---

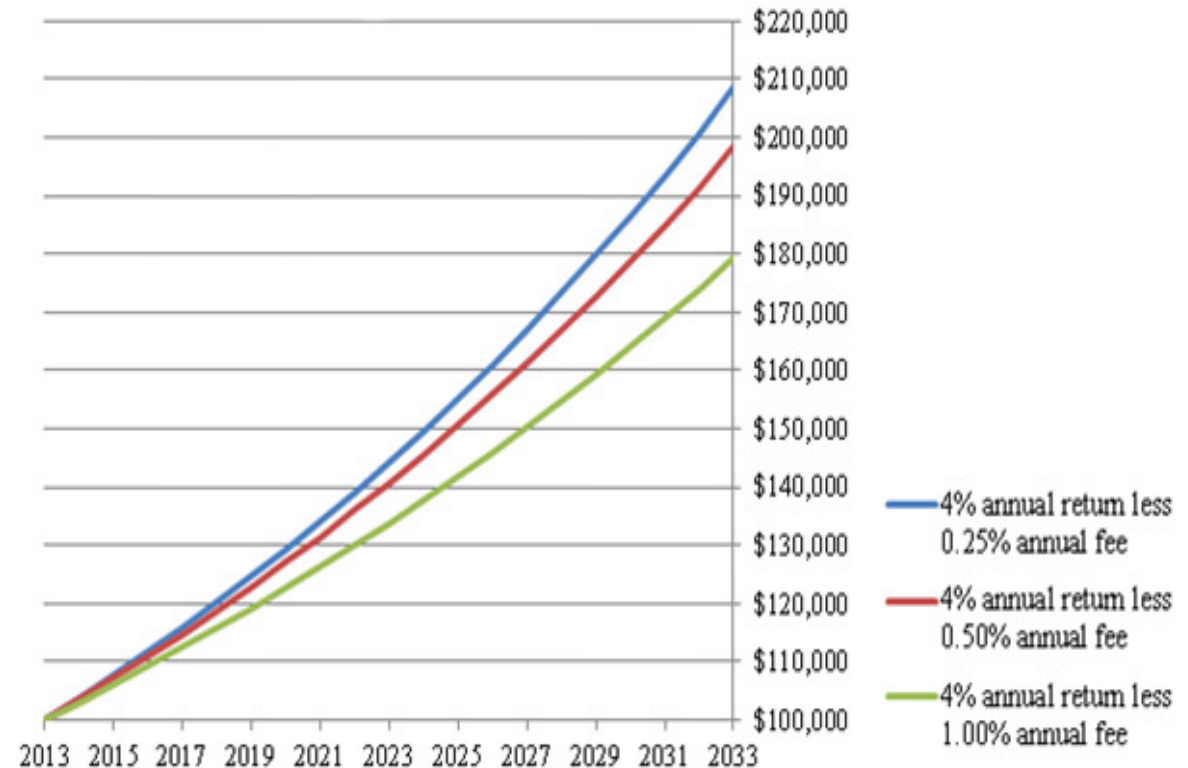
## Rule of Thumb is:

A 3% fee = 30% of your portfolio gains

A 2% fee = 20% of your portfolio gains

A 1% fee = 10% of your portfolio gains

Portfolio Value from Investing \$100,000 over 20 Years



Do you want to give up 30% of your equity investments to someone over your lifetime?

# FINRA Fund Analyzer

The screenshot shows the FINRA Fund Analyzer website. The background is a light blue grid with faint financial data and charts. At the top center, the text "Fund Analyzer" is displayed in a large blue font, with a small icon of three vertical bars (two blue, one red) between the words. Below this, "by FINRA" is written in a smaller font. Underneath, the text "Analyze and compare the cost of owning funds" is centered. A search bar is positioned below the text, containing the placeholder "Search by Fund Name, Family, Ticker or Keywords". To the right of the search bar is a red button with the word "SEARCH" in white. Below the search bar, there is a line of text: "By clicking SEARCH or otherwise using the Fund Analyzer, I agree to the Fund Analyzer Terms of Use." Below this, there are three icons with labels: a funnel icon for "Filtered Search", a heart icon for "Favorites", and a question mark icon for "Help". At the bottom, a disclaimer reads: "Disclaimer: The future values depicted are based on the rates of return chosen by the user and are not a depiction of actual returns."

[www.finra.org/fundanalyzer](http://www.finra.org/fundanalyzer)

# Investing Apps

---

- Mobile platforms that help you save and invest
- Some apps allow you to buy or sell securities or get advice on investing
- Make sure your investment app is a registered investment firm



# Investing Apps: What to Keep in Mind

---

- Apps may give new investors access to complex or high-risk products or strategies – understand before you invest
- Human interaction or assistance may be limited to online queries
- Fees may seem low, but find out how costs and commissions work
- Apps may encourage some to over-trade through gamification of trading and instant notifications on stock moves



# Planning for Retirement

---



# Tax- Advantaged Retirement Accounts

	EMPLOYER-SPONSORED PLAN 401(K) / 403(B) / 457(B)	INDIVIDUAL RETIREMENT ACCOUNT (IRA)
Maximum contribution	\$19,500 annually (50+ may add \$6,500)	\$6,000 annually (50+ may add \$1,000)
Investment options	Choice of investments, typically mutual funds	Can invest in mutual funds, individual stocks and bonds, annuities, certain real estate
How it grows	Your contributions, plus possible employer matches, grow tax free	Self-directed account based on your contributions, which grow tax-free

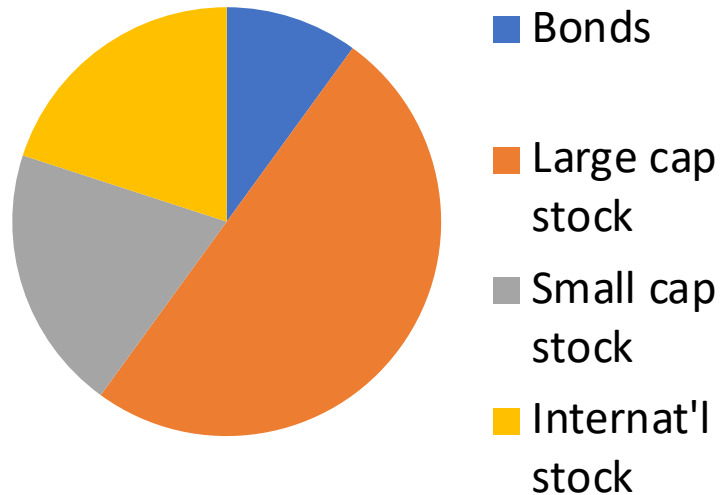
# Traditional vs. Roth Contributions

Traditional	Roth
<p>Tax break now...</p> <ul style="list-style-type: none"><li>- Your money goes in <i>before</i> taxes</li><li>- Lowers your taxable income</li><li>- Money grows tax free</li><li>- Your money will be taxed when you withdraw it</li></ul>	<p>Tax break later...</p> <ul style="list-style-type: none"><li>- Your money goes in <i>after</i> taxes</li><li>- Money grows tax free</li><li>- Your money will be tax-free when you withdraw it</li></ul>

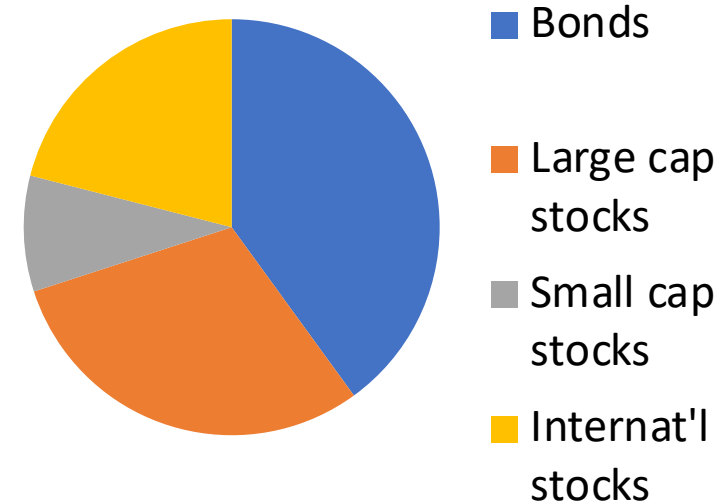
# Target Date/Lifecycle Funds

The name of the fund often refers to its target date

**Retirement Fund 2050**



**Portfolio 2030**





# Tips for Your Retirement Account

---

- **Don't delay**
- Start contributing as soon as you can, then increase contributions as your earnings increase
- **Take advantage of employer matching**
- Your employer may match your contributions up to a certain level – it's free money... and it's part of your compensation!
- **Contribute consistently**
- Keep contributing in both up and down markets
- **Pay attention to fees**
- Your retirement plan may have funds that charge different levels of fees

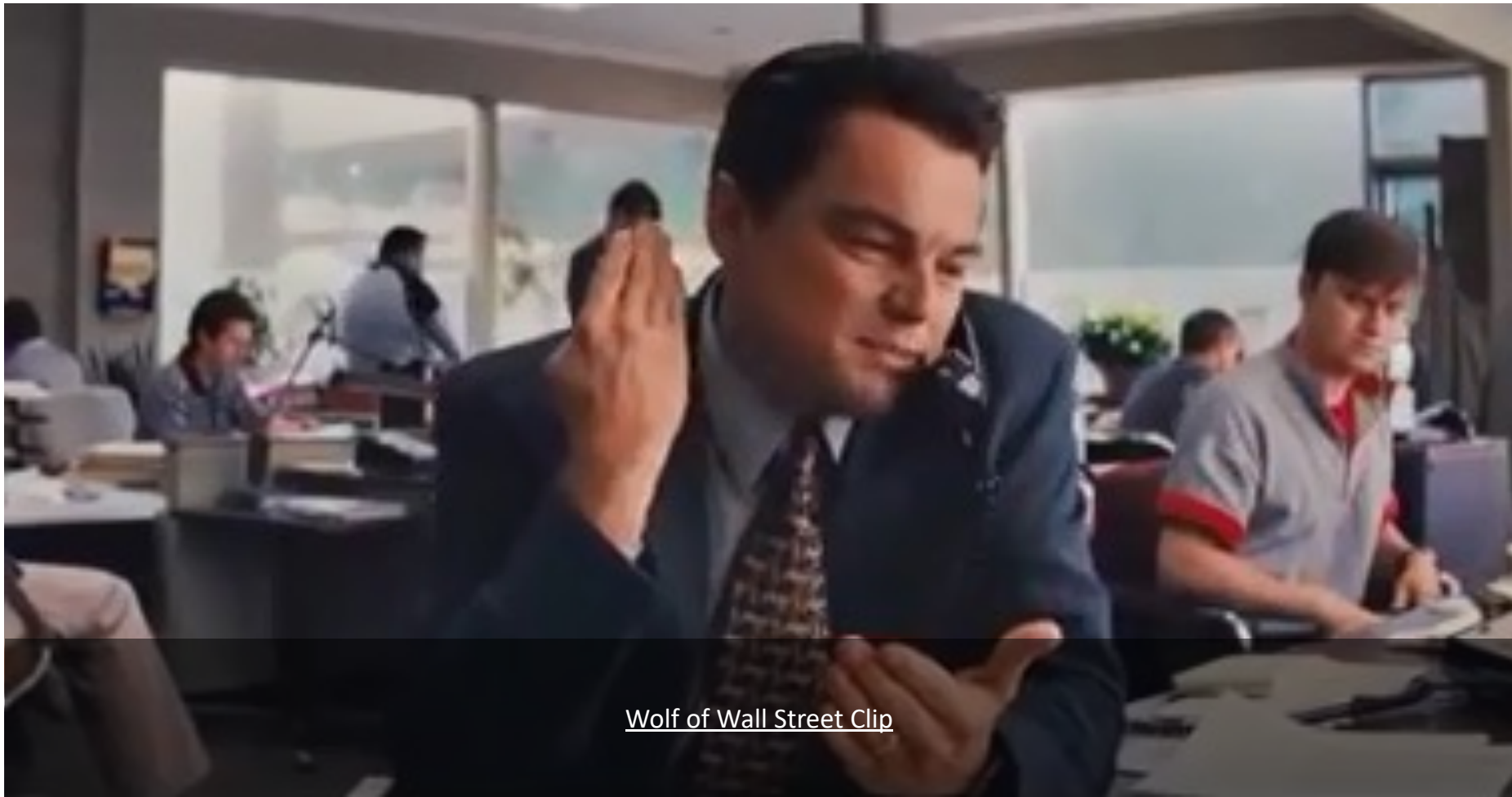
# Switching Jobs?

---

- **Keep some or all in former employer's plan** - If permitted
- **Transfer to new employer's retirement plan** - Transfer your account balance directly to your new employer's plan if it accepts such transfers
- **Roll over to an IRA** - Transfer your account balance to an IRA Rollover Account
- **Lump sum distribution** - WARNING: You will owe taxes and pay a penalty if you take money out before the age of 59½

# Tips to Avoid Fraud

A thick, hand-drawn style orange line that underlines the title "Tips to Avoid Fraud". It starts under the first letter 'T' and ends under the last letter 'd', following the baseline of the text.



[Wolf of Wall Street Clip](#)

# Fraud in the Movies

# Unsolicited Offers

---

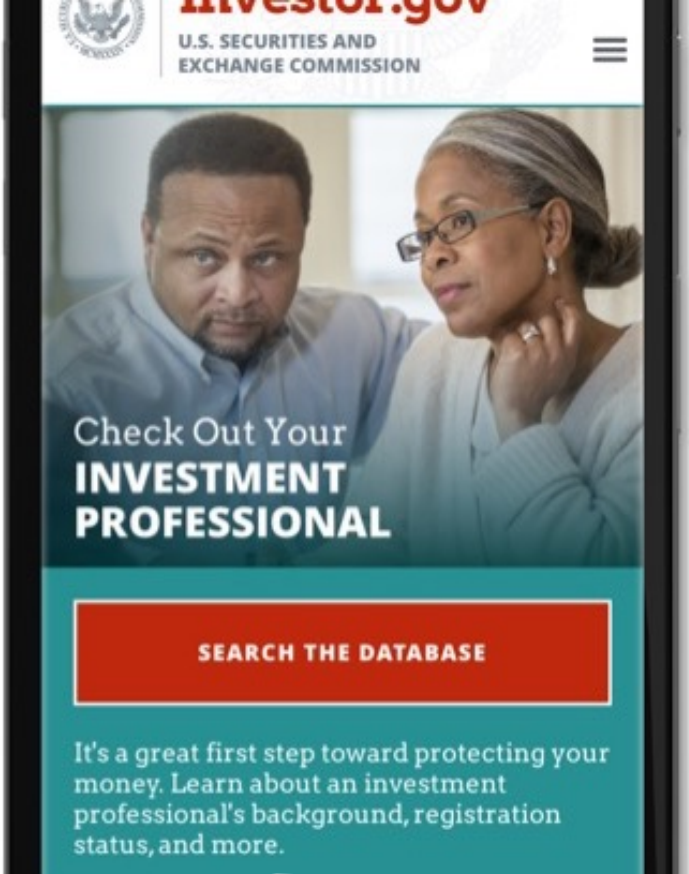
- The salesperson or promoter approaches you, not the other way around

- **Examples:**

- Cold call
- Email
- Social media
- Radio and newsletters
- Direct mail
- Free dinner seminar

- **How to respond:** Be cautious! Do your own homework if you're curious or simply walk away





# Check Any Investment Professional

---

- Check on Investor.gov:
  - License/registration
  - Employment history
  - Important disclosures



# Research Any Investment Product

## Check EDGAR:

- Is the product registered with the SEC?
- Not all products are registered for accredited investors
- Scams often involve unregistered companies and registered companies
- EDGAR has important information about companies but only if reported

The screenshot displays the top of the SEC's EDGAR website. At the top left is the SEC logo, and to its right is the text "U.S. SECURITIES AND EXCHANGE COMMISSION". Below this is the heading "EDGAR | Company Filings". On the right side, there are three social media icons: Facebook, Twitter, and Email. Below these icons is a search section titled "Company Name" with a search icon. It features a text input field labeled "Company Name" and a "SEARCH" button. Below the input field is a "More Options" button with a right-pointing arrow. Further down is a "Fast Search" section with a search icon. It includes a text input field labeled "Ticker or CIK" and a "SEARCH" button. Below the input field, a note states: "Ticker symbol or CIK is the fastest way to find company filings." At the bottom of the visible section is a "Guides" heading, followed by two links: "How to Research Public Companies" (described as learning how to quickly research a company's operations and financial information) and "Form Types" (described as reviewing reference versions of EDGAR forms filed by companies, funds, and individuals). Below these is a "Search Tools" heading, followed by a link to the "CIK Lookup Tool" (described as looking up the central index key (CIK) of an entity).

U.S. SECURITIES AND EXCHANGE COMMISSION

EDGAR | Company Filings

Company Name ⓘ

Company Name SEARCH

More Options ▶

Fast Search ⓘ

Ticker or CIK SEARCH

Ticker symbol or CIK is the fastest way to find company filings.

Guides

**How to Research Public Companies**  
Learn [how to quickly research](#) a company's operations and financial information with EDGAR search tools.

**Form Types**  
Review [reference versions](#) of EDGAR forms filed by companies, funds, and individuals.

**Search Tools**

**CIK Lookup Tool**  
Look up the [central index key \(CIK\)](#) of an



What you focus on is what you get.