

April 1, 2025

What Are You Planting Today?

What do we mean, “short-term thoughts about long-term matters”? Many clients have commented positively on our tagline over the years. I like it because it acknowledges that the short term is challenging and unpredictable, while the longer term can be easier and empowering, especially if we employ sound strategies.

We all experience daily emotions, yet life demands balancing the present with planting seeds for the future. I share these monthly reflections humbly, knowing my insights are rooted in or influenced by current events but trusting that well-applied principles will yield long-term success.

This month’s quote of the day—actually a Chinese proverb—illustrates the idea. This ancient wisdom resonates deeply in financial planning, where patience, foresight, and just getting started can lead to significant long-term rewards. Through real-life examples, we can see how “planting” financial seeds today can bring valuable shade in the future.

One example of this is *compounding*. People know Warren Buffet as one of the most successful investors of all time, yet most don’t realize his net worth’s exponential growth over decades is largely due to the power of compounding. Most of his wealth was accumulated *after he turned 60*. By starting to invest in his early teens and staying consistent, his investments had 80+ years to grow. But there are many everyday examples of the same kind of thing. Consider the inspiring lesson of Ronald Read, a janitor from Vermont who started later (in his 40s) but stayed consistent and quietly amassed an \$8 million fortune.

Obviously, these are financial illustrations, but the lesson is broader. Getting started on positive change right now can be applied to investments in your health, your relationships, your purpose, your spirituality, etc.

ALTIUS 2024 Survey Results

Earlier this year, we sent out our annual ALTIUS Client Survey for 2024 and over 65% of our clients submitted responses. Here are some results:

- 99% of responses said we meet or exceed expectations with 47% of that exceed expectations.
- 93% of respondents specified a goal they want to work on in 2025!
- Most clients prefer Zoom, so we are adjusting this year’s events.
- We received great feedback to adjust our performance reports – we will be updating them over the next quarter for better clarity.

Quote of the Day:

“The best time to plant a tree was 20 years ago. The second best time is now.”
– Chinese Proverb

2025 EVENTS

June 25 – Q2 Event: More details coming soon!

July 17 – Client Appreciation Party

August 20 – Q3 Event

November 19 – Q4 Event

December 4 – Holiday Party

TAKE A LOOK INSIDE

What Are You Planting Today?

Math of Money: Dividends vs Capital Gains

Taylor’s Take: Considering Social Security

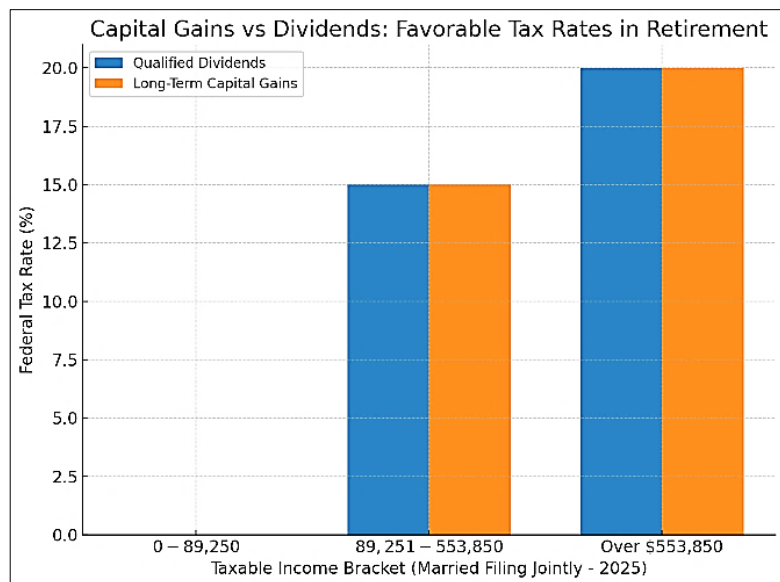
“Give Me Liberty” – 250 Years Later

THANK YOU

Thank you to those who filled out our annual survey - we appreciate the feedback and as always are focused on meeting your needs! If you missed the survey, but still have feedback for us, please reach out. We’d love to hear your thoughts & answer any questions you have.

Math of Money: Dividends vs. Capital Gains

Many people want to rely on dividends to fund their lifestyle, but focusing solely on dividends can lead to missed opportunities. Did you ever wonder why Warren Buffet's Berkshire Hathaway never (well, once) pays dividends? It's the math in the tax code. Don't get me wrong – everyone loves a high dividend since it often shows that the company is profitable and can prove it with a check that you can cash.



By incorporating capital gains—especially long-term capital gains—into a retirement income strategy, retirees can potentially reduce their tax burden and increase after-tax income. Why? Because qualified dividends and long-term capital gains are taxed at favorable rates, and the 0% capital gains rate for lower-income brackets can be a powerful tool. For example, in 2025, a married couple filing jointly can have up to \$89,250 of taxable income and still pay 0% on long-term capital gains. If all that income comes from dividends, especially from taxable accounts, they may miss this chance.

Strategically selling appreciated assets to realize gains while staying within the 0% or

15% capital gains brackets can help you lower your tax bill and manage required minimum distributions later. The key? You must have some of your portfolio in a Non-Qualified (Non-IRA or 401k type) account and then we can mix dividends and capital gains thoughtfully.

Taylor's Take: Considering Social Security

If I had a dollar for every time we discussed the long-term financial stability or timing of Social Security benefits with clients or friends, I would be close to retirement myself- ha! For most of these discussions, we focus on evaluating the funding (or lack thereof) for these benefits and determining the ideal timing for those approaching benefit eligibility and maximization ages. We often hear that Social Security funds are running out. While that's a valid concern, we also know that the government can raise taxes and adjust benefit amounts and start times to ensure the system continues.

But what about us Millennials (me included)? I joke with friends that Social Security may be long gone by the time I'm ready to retire. How many of our kids and grandkids are saving for retirement, assuming they won't have Social Security income to rely on? If that were the case, we'd likely save a lot more, wouldn't we? Social Security benefits replace about 40% of average employment wages (according to the SSA), and that's a significant amount to make up!

I don't write this to scare anyone, but as a 30-something, I believe now is the time to start building wealth through a compounding strategy, rather than waiting until your 50s or 60s. Of course, I don't have a crystal ball, but as we approach portfolio management, it's best to hedge and diversify when you're uncertain. I'd rather over-accumulate and be pleasantly surprised with Social Security benefits when it's time to retire, than the alternative. Ultimately, my advice to younger generations is to plant some seeds (save more now).

“Give Me Liberty” – 250 Years Later

As I write this section, today marks the 250th anniversary of one of the most powerful speeches in American history. On March 23, 1775, Patrick Henry stood before the Virginia Convention and delivered a bold challenge to his fellow colonists: “Give me liberty, or give me death!” His words helped ignite the revolution—fueled not by rage or chaos, but by principle and the moral conviction that freedom is worth fighting for.



Henry’s defense of individual liberty helped set the stage for the Declaration of Independence, which we’ll celebrate next year on its own 250th anniversary. That document, drafted in the spirit of Henry’s appeal, laid out the philosophical foundation for a new nation: that our rights come not from kings or governments, but from nature and reason—from humanity itself.

We believe these anniversaries offer a timely opportunity—not for hollow nationalistic pageantry, but for personal and civic renewal. At ALTIUS Financial, we invite you to join us in using this year as a kickoff to reconnect with the principles of America’s founding. Understanding the ideas that ignited 1776 can inspire us to be more thoughtful citizens and active champions of individual rights—for our own lives, our families, and the generations to come. Let’s take this milestone as a chance to learn, speak out, and stand proudly for the liberty that fuels prosperity and human flourishing. And that **freedom = financial freedom**.



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