INSIGHTS NEWSLETTER

ISSUE 1 | 2025

IN THIS ISSUE

As we welcome March and St. Patrick's Day approaches, I hope you'll take a moment to notice the little bits of luck all around us—whether it's snagging the last open parking spot or simply having the opportunity to enjoy time with those who matter most. But when it comes to your financial future, luck isn't what you need—you need clarity, confidence, and the right strategies. **That's where we come in.**

This month's newsletter is filled with insights to help you take control of your finances. We're also diving into how your *money mindset* influences financial decisions—often in ways you may not even realize. To explore this idea further, tune in to our March podcast, *Why Do We Worry About Money?*, where we discuss the emotions behind financial choices and how to approach these decisions with more confidence. Look for the My Life is Built podcast on Spotify or visit mycfsgroup.com/podcast.

At Cornerstone, we're here to support you with guidance every step of the way. We hope you find these resources helpful, and if you have any questions or need further insight, we're always here to help.

Wishing you a wonderful March!

Jill Mollner
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CORNERSTONE
FINANCIAL SOLUTIONS, INC.

BRIDGING GENERATIONS:
Talking About Family Finances with Confidence

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Discussing finances with family can feel like one of the toughest conversations to start. Parents may hesitate to share details about their financial plans, while adult children worry about overstepping boundaries. Yet, open and honest communication about finances is key to ensuring that wealth, values, and legacy are managed according to a family's wishes.

At Cornerstone, we've seen firsthand how proactive financial discussions can strengthen family bonds and provide clarity for future decisions. Here's how to navigate these important conversations with confidence.

STEP 1: Acknowledge the Importance of the Conversation

It's natural to avoid financial discussions, especially when emotions are involved. However, waiting until a crisis forces the conversation can add unnecessary stress. Instead, approach the topic with care, emphasizing that the goal is to align expectations, provide clarity, and ensure the entire family is on the same page.

A simple way to start is: *"We know how hard you've worked to build a secure future, and we want to understand how we can best support your wishes."*

STEP 2: Identify Key Topics to Cover

Every family's situation is unique, but common discussion points include:

- Retirement income and how it supports long-term lifestyle goals
- Estate planning and legacy wishes
- Plans for potential healthcare needs or long-term care
- How charitable giving and family financial values fit into the picture

The goal isn't to go over every detail at once but to start an ongoing dialogue where everyone feels comfortable asking questions and sharing.

STEP 3: Make It a Conversation, Not a Confrontation

A productive financial discussion is built on mutual respect. Instead of pressing for answers, invite an open exchange of thoughts. Use questions like:

- *Have you thought about how you'd like to structure financial support for future generations?*
- *What would give you confidence in knowing your financial legacy is well managed?*
- *How can we help carry out your wishes when the time comes?*

If parents are hesitant, reassure them that this is not about control—it's about preparedness and ensuring their choices are honored.

STEP 4: Involve a Trusted Advisor

A financial professional can play a valuable role in guiding these discussions objectively, ensuring that emotions don't get in the way of smart planning. At Cornerstone, we regularly facilitate family meetings to help bridge gaps in understanding, align financial strategies, and ensure everyone has the information they need to move forward with confidence.

STEP 5: Establish a Plan for Ongoing Conversations

Family financial discussions aren't a one-time event—they're an ongoing process that should evolve alongside life's changes. Consider scheduling an annual family check-in to revisit goals, update plans, and ensure everything remains aligned with your family's vision.

Your Next Step

Having these conversations may feel overwhelming, but you don't have to navigate them alone. Cornerstone is here to help facilitate thoughtful, productive discussions so your family can approach the future with clarity.

If you'd like support in planning a family financial discussion, we're here to help. Call us at 605-357-8553 in Sioux Falls, 605-352-9490 in Huron, or email cfsteam@mycfsgroup.com.

Didn't make it to our education event? **We've got you covered!**

Find recordings of our market update and the cybersecurity presentation on the resources tab of our website, **https://mycfsgroup.com**.

And check out our Youtube channel, @cornerstonefinancialsoluti1552, for more than 30 videos to help you feel informed, empowered, and confident in every aspect of your financial journey!

How to Organize Your Personal, Health, and Financial Information

In today's fast-paced world, you understand how important it is to have your essential documents well-organized. Learn how in our blog, *In Case of Emergency, and download our Essential Documents Checklist.*

Unexpected events can be stressful enough without the added worry of scrambling to find critical paperwork. The **Essential Documents Checklist** is a tool to help you systematically organize the vital documents that record your life.

We encourage you to share this checklist with close family members, as well as with your attorney, accountant, and executor. It's a simple yet invaluable step that can make a significant difference for you and your loved ones.

Read the blog and download the checklist at https://mycfsgroup.com/centralize-vital-info

WE ARE ALWAYS ON THE LOOKOUT FOR MORE CLIENTS JUST LIKE YOU.

If there's anyone you know who could use a second opinion on their investments, feel free to share this newsletter or email us at cfsteam@mycfsgroup.com to let us know who to send one to.

OUR LATEST MY LIFE IS BUILT PODCAST

WHY DO WE WORRY ABOUT MONEY?

MYCFSGROUP.COM/PODCAST

In this episode we dive into:

- The **fear of the unknown**—why we worry and how to regain control
- **Balancing short-term needs with long-term financial goals**
- **Family responsibilities** and the emotional side of financial decision-making
- **How health concerns impact financial security** and what to do about it
- The **stock market's unpredictability** and strategies to stay on track
- Why **financial planning is like game-day preparation**—and how to stick to the plan

WHAT'S YOUR MONEY MINDSET?

Understanding the 'Why' Behind Your Financial Decisions

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WEALTH ADVISOR

Money isn't just numbers—it's emotional. The way you approach financial decisions is shaped by personal experiences, family values, and even subconscious beliefs. Understanding your financial mindset can help you make more confident, informed choices and ensure your decisions align with your goals and values.

At Cornerstone, we believe that financial success isn't just about numbers on a spreadsheet—it's about building a life that reflects what truly matters to you. Exploring your financial mindset is a key step in that journey.

The Power of Knowing Your Financial Personality

Your money habits influence more than just your portfolio. They shape relationships, impact long-term planning, and affect how you handle financial opportunities or challenges. Identifying your tendencies can help you strengthen your financial strategy.

Here are some common financial mindsets—do you recognize yourself in any of these?

THE INFLUENCER

You work hard and reward yourself with the finer things in life. Success is important to you, and your spending reflects that—whether it's the latest tech, luxury experiences, or status symbols.

Key Insight: While enjoying your success is important, balancing lifestyle and long-term wealth building is key. An intentional financial strategy ensures your spending supports your future aspirations.

THE OSTRICH

Finances feel overwhelming, so you avoid them. You might not track spending, feel unsure about your savings, or even trust that things will work out.

Key Insight: Small steps can build confidence. Partnering with an advisor and automating savings can help you gain control without feeling burdened by financial details.

THE STOCKPILER

You're a diligent saver, prioritizing financial security above all else. While this provides stability, excessive caution may mean missing opportunities to grow wealth.

Key Insight: Saving is a strength, but strategic investing is just as important. Finding the right balance ensures your money works for you without unnecessary risk.

THE SCOUT

You see money as a tool for building a meaningful life. You plan ahead, make informed decisions, and remain adaptable, understanding that financial markets and personal goals evolve over time.

Key Insight: A proactive approach keeps you ahead of financial shifts. Regularly reviewing your strategy with an advisor ensures you stay on track toward your goals.

Next Steps: How to Use This Insight

No matter which mindset you identify with, self-awareness is the first step to making confident financial decisions. The key is to understand your habits, align them with your long-term vision, and leverage expert guidance when needed.

- **Identify your financial tendencies**—be honest about your strengths and areas for improvement.
- **Have open conversations with your family** about shared goals and expectations.
- **Partner with a trusted advisor** to develop a financial strategy tailored to your mindset and aspirations.

At Cornerstone, we don't just focus on numbers—we focus on people. Our advisors take the time to understand what drives your decisions so we can help you build a financial future that fits your life.

Do you know someone who could benefit from this information? Please share this newsletter with them!

Cornerstone is pleased to bring you this article by Ed Slott and Company, LLC. *As a member of Ed Slott's Elite IRA Advisor Group™ Gordon keeps Cornerstone professionals on the cutting-edge of retirement planning, tax law, and IRA distribution strategies. Through continuous training with Ed Slott and his team of IRA Experts, we receive real-time updates on tax code changes and retirement planning regulations, and access to specialized guidance for complex cases. This is just one of the tools in our arsenal to help Cornerstone clients avoid unnecessary taxes and fees!*

MAKING THE MOST OF YOUR TAX REFUND:
A Smart Strategy for Retirement Savings

While it's tempting to spend your tax refund on something fun, it can also help strengthen your financial future. One smart way to use it? **Contribute to an IRA**—boosting your retirement savings while potentially reducing your tax burden.

If you're already retired, your refund could help fund a Roth IRA for a child or grandchild, helping set them up for long-term financial success.

The deadline to contribute for the **2024 tax year is April 15, 2025,** just be sure to designate that the contribution is for 2024.

KNOW THE CONTRIBUTION LIMITS

For **2024**, you can contribute up to:

- **$7,000** if you're under 50
- **$8,000** if you're 50 or older

Your tax refund can be deposited **directly into your IRA**—or even split among multiple retirement accounts.

DOUBLE-CHECK FOR POTENTIAL ISSUES

If you use **Form 8888**, found on www.irs.gov, pay close attention to IRS guidelines to avoid any common errors.

- If the IRS **adjusts your refund amount** (due to math errors or past-due taxes), it could impact the deposit amount.
- If your IRA deposit is meant for the prior tax year, **confirm with your financial institution** that they've coded it correctly.

FOLLOW UP TO ENSURE ACCURACY

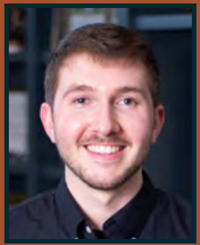
Once your refund is deposited, verify:

✓ The funds arrived in the correct account
✓ The deposit was coded for the correct tax year (if applicable)
✓ Any IRS adjustments haven't affected your contribution plan

If there's an issue, you may need to work with your financial institution or even file an amended return.

As always, give us a call if you have any questions!
SIOUX FALLS OFFICE: 605-357-8553
HURON OFFICE: 605-352-9490

A tax refund can be an easy way to increase your own retirement savings or contribute to the next generation's financial stability. At Cornerstone, our advisors specialize in helping clients navigate tax concerns and make the most of every opportunity. From strategic planning to personalized guidance, we're here to help ensure your money is working toward your goals!



Jory Flanery
ASSOCIATE ADVISOR

RETIREMENT PLAN CONTRIBUTION

Whether your goal is to reduce taxable income this year or build a strong financial future, knowing the latest contribution limits can help you fine-tune your strategy.

With recent inflation adjustments, you may have the opportunity to contribute more to your employer-sponsored plan or IRA, depending on your income, age, and account type. And don't forget—you can still make contributions for 2024 until Tax Day to maximize your savings.

Review the 2025 Retirement Plan Contribution Limits to see how much you can contribute.
If you have questions about funding your retirement account, contact our office at 605-357-8553 in Sioux Falls or 605-352-9490 in Huron.

2025 Retirement Plan Contribution Limits

Phase-Out Ranges for IRA Deductibility

This chart is only for those who are covered by a company retirement plan.

Year	Married/Joint	Single or Head of Household
2023	$116,000 - $136,000	$73,000 - $83,000
2024	$123,000 - $143,000	$77,000 - $87,000
2025	$126,000 - $146,000	$79,000 - $89,000

If not covered by a company plan but the spouse is, the phase-out range for 2024 is $230,000 - $240,000 and for 2025 is $236,00 - $246,000. If filing married-separate, the phase-out range is $0 - $10,000.

IRA and Roth IRA Contribution Limits

Year	Regular Contribution	Catch-Up Contribution*	Total Contribution w/Catch-Up
2023	$6,500	$1,000	$7,500
2024	$7,000	$1,000	$8,000
2025	$7,000	$1,000	$8,000

A 2024 IRA or Roth IRA contribution can be made up to the tax filing due date, April 15, 2025. There is no extension beyond that date, regardless of whether an extension is filed for the tax return.

*Those who are 50 or older by year end can contribute an additional $1,000.

Roth IRA Phase-Out Limits for Contributions

Year	Married/Joint	Single or Head of Household
2023	$218,000 - $228,000	$138,000 - $153,000
2024	$230,000 - $240,000	$146,000 - $161,000
2025	$236,000 - $246,000	$150,000 - $165,000

If filing married-separate, the phase-out range is $0 - $10,000.

Employee Salary Deferral Limits for 401(k)s & 403(b)s

Year	Regular Contribution	Catch-Up Contribution*	Total Contribution w/Catch-Up
2024	$23,000	$7,500	$30,500
2025	$23,500	$7,500	$31,000

Limits are per person; **not** per plan.
* Those who are age 50 or older can contribute an additional $7,500. The SECURE 2.0 Act has increased the 401(k)/403(b) catch-up contribution limit for certain individuals. For 2025, those who are aged 60, 61, 62, or 63 at year end can contribute an additional $11,250 – instead of $7,500.

There is also an overall limit on the maximum amount of ALL employee and employer contributions that can be made to a plan for any employee in any year. For 2025, the overall contribution limit is $70,000, plus any applicable catch-up contribution.

SEP IRA Contribution Limits
(Simplified Employee Pensions)

2024 The SEP limit for 2024 is 25% of up to $345,000 of compensation, limited to a maximum annual contribution of $69,000.

2025 The SEP limit for 2025 is 25% of up to $350,000 of compensation, limited to a maximum annual contribution of $70,000.

Catch-up contributions do not apply to SEP IRAs. They still apply to old SARSEPs in effect before 1997. No new SARSEPs were allowed after 1996.

SEP contributions can be made up to the due date of the tax return, including extensions. For example, a 2024 SEP contribution for sole proprietors can be made up to April 15, 2025 or up to October 15, 2025 if a valid extension has been filed.

Qualifying Longevity Annuity Contracts (QLACs)

For 2025, retirement account owners can purchase a QLAC with up to $210,000 of their retirement funds. QLAC dollars are removed from the RMD calculation until age 85.

SEE NEXT PAGE FOR SIMPLE IRA SALARY DEFERRAL LIMITS

SIMPLE IRA Salary Deferral Limits

Year	Regular Contribution*	Catch-Up Contribution**	Total Contribution w/Catch-Up
2024	$16,000	$3,500	$19,500
2025	$16,500	$3,500	$20,000

***Regular Contributions**
The SECURE 2.0 Act has increased the SIMPLE IRA regular contribution limit for certain individuals.

For 2024 and 2025, the regular contribution limit for a business with 25 or fewer employees is automatically increased to $17,600. Businesses with 26 - 100 employees can allow this higher contribution limit, but only if they provide a 4% (instead of 3%) matching contribution, or a 3% (instead of 2%) across-the-board contribution.

****Catch-Up Contributions**
Those who are age 50 or older can contribute an additional $3,500.

The SECURE 2.0 Act also increased the SIMPLE IRA catch-up contribution limit for certain individuals.

For 2024 and 2025, the catch-up contribution limit for a business with 25 or fewer employees is automatically increased to $3,850. Businesses with 26 - 100 employees can allow this higher contribution limit, but only if they provide a 4% (instead of 3%) matching contribution, or a 3% (instead of 2%) across-the-board contribution.

For 2025, those who are aged 60, 61, 62, or 63 at year end can contribute an additional $5,250 – instead of $3,500 or $3,850.

Except Forbes Best-In-State Wealth Management Teams, these rankings and awards were achieved by Gordon Wollman, Founder & CEO, CFS and Wealth Advisor, RJFS. These rankings may not be representative of any one client's experience, are not an endorsement, and are not indicative of future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for these awards/ratings. Raymond James is not affiliated with Barron's, Shook Research, LLC, Forbes, or AdvisorHub. Investment performance is not an explicit component because not all advisors have audited results and because performance figures often are influenced more by clients' risk tolerance than by an advisor's investment-picking abilities.

Barron's Top 1,200 Financial Advisors: Barron's is a registered trademark of Dow Jones & Company, L.P. All rights reserved. The rankings are based on data provided by 6,595 individual advisors and their firms and include qualitative and quantitative criteria. Time period upon which the rating is based is from 09/30/2022 to 09/30/2023, and was released on 03/11/2024. Factors included in the rankings: assets under management, revenue produced for the firm, regulatory record, quality of practice and philanthropic work.

The Forbes Best-In-State Wealth Advisors 2024 ranking, developed by SHOOK Research, is based on an algorithm of qualitative criteria, mostly gained through telephone and in-person due diligence interviews, and quantitative data. This ranking is based upon the period from 6/30/2022 to 6/30/2023 and was released on 4/3/2024. Those advisors that are considered have a minimum of seven years of experience, and the algorithm weighs factors like revenue trends, assets under management, compliance records, industry experience and those that encompass best practices in their practices and approach to working with clients. Out of approximately 44,990 nominations, roughly 8,500 advisors received the award. Compensation provided for using the rating. Please visit https://www.forbes.com/best-in-state-wealth-advisors for more info.

Raymond James Chairman's Council Membership is based on prior fiscal year production, re-qualification is required annually.

The 2025 Forbes ranking of America's Best-In-State Wealth Management Teams, developed by SHOOK Research, is based on an algorithm of qualitative criteria, mostly gained through telephone and in-person due diligence interviews, and quantitative data. This ranking is based upon the period from 3/31/2023 to 3/31/2024 and was released on 01/09/2025. Advisor teams that are considered must have one advisor with a minimum of seven years of experience, have been in existence as a team for at least one year, have at least 5 team members, and have been nominated by their firm. The algorithm weights factors like revenue trends, assets under management, compliance records, industry experience and those that encompass best practices in their practices and approach to working with clients. Out of approximately 11,674 team nominations, 5,331 advisor teams received the award based on thresholds. Compensation provided for using the rating. Please see https://www.forbes.com/lists/wealth-management-teams-best-in-state for more info.

The 2024 AdvisorHub 250 Advisors to Watch under $1b ranking is based on an algorithm of criteria, focused on three key areas: Quality of Practice, Year-Over-Year Growth, and Professionalism & Character. The rankings weigh the scores in Quality and Growth more heavily than other areas. Time period upon which the rating is based is from 12/31/2022 – 12/31/2023, and was released on 6/20/2024. Advisors considered have a minimum of seven years' experience, a clean regulatory record with 2 or fewer complaints and no significant judgements, must have been with their current firm for at least two years and in good standing, and have at least $100 million in assets under management. Out of 1,816 total nominations received, 250 advisors received the award.

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Founded in 1993
CELEBRATING
30+ YEARS

OUR GUARANTEE: Because of our commitment to excellence, upon receiving your verbal feedback, if we don't meet your expectations we will provide a no-cost transition to your next advisor.