

My Atlantic Wealth

FALL EDITION 2021

Are you ready for 2021?

Your year-end financial planning checklist inside.

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From Our Corner

Personal updates & greetings from each of the Atlantic Wealth staff.

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Thanksgiving Pie Reminder

We are excited to see you in the office when you stop by to pick up your Thanksgiving Pie!



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Atlantic
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THE FREEDOM TO LIVE INSPIRED

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Why Is the Supply Chain Still So Snarled?

By Greg Patterson

As Fed Chief Jerome Powell noted at the end of September, bottlenecks and shortages of key raw materials are “not getting better—in fact at the margins (they are) apparently getting a little bit worse.”

Like severe labor shortages, supply chain problems are crimping profitability, limiting sales, raising prices, and hampering economic growth. An uptick in bond yields near the end of the month also dampened sentiment. While yields remain quite low, they ticked higher after the Federal Reserve took on a slightly more hawkish tone at the September 22 meeting. These are probably the biggest reasons for the stock market pullback last month.

There are a few more reasons we have noticed: As Moody’s Analytics recently noted, “The debt ceiling will be raised. Not doing so would be catastrophic for the economy, so this is an extremely low probability event.” We’ve seen this drama play out before. There have been ten government shutdowns since 1980 under six administrations and many that avoided it in the final hours. Still, it was causing some headline anxiety prior to the Senate vote 50-48 on October 7th to raise the debt ceiling until early December. Stay tuned for this headline again around Thanksgiving.

Also noteworthy is an energy crisis brewing in Europe while natural gas prices hit new highs in Asia. They are running about six times what we see at home (Reuters). The U.S. isn’t directly affected, but these are costs that may get added to manufactured goods or could restrict output, adding to supply chain woes. The surge in energy prices has driven up inflation in the 19 countries that make up the eurozone.

We’re overdue for at least a 10% correction. We know they tend to be unpleasant, but downturns are part of the investment landscape. With all but the most aggressive and risk tolerant investors, we recommend a diversified portfolio including fixed income and real estate investments. Adding non-correlated investments into the portfolio smooths out returns. We don’t see the extreme highs when stocks are rising, but mixing in other asset categories reduces your risk on the downside when equities turn lower. We have even seen attractive returns from our convertible bonds in our clients’ accounts.

As we’ve noted in the past, stocks tend to take the stairs up and the elevator down. If we are headed toward an overdue correction, pullbacks tend to be short lived. Being patient pays big dividends over the longer term.

We remain honored to serve as your trusted advisor and are grateful that you provide us the opportunity to help you. We remain careful and patient in these uncertain times and continue to steward your assets with your most important goals as our primary focus. As always, we are here daily and on standby to help you or anyone you know with financial issues, and we are thankful for the continued trust and confidence you place in us. We hope you have a great fall season and look forward to seeing you at our next meeting.



Your Complete Year-End Financial Planning Checklist

Presented by Greg Patterson and James Allen Canady

Fall is a season of transitions as the summer humidity begins to fade. If you're like us, the holiday checklists have already begun to appear. One area of your life that we recommend revisiting before the end of the year is your financial health.

Here you'll find a financial planning checklist that might make a difference in your year-end review and plans for next year. Simply check all that apply. If you have any questions, we will be happy to go over these with you and discuss possible scenarios for 2021 and 2022.

1. Taxes

- Project income for 2021 & 2022.
- Project 2021 net investment income.
- Review realized and unrealized gains and losses.
- Collect cost-basis information on sold securities.
- Review sales of appreciated property like real estate and art.
- Check loss carry-forwards from last year.
- Review potential deductions & credits for 2021.
- Track donations to charity.
- Review any gifting plans.

2. Retirement

- Max out 401(k) contributions including catch-ups.
- Max out IRA contributions including catch-ups.
- Analyze Roth IRA conversion scenarios: Full vs. partial vs. none.
- Take required minimum distributions.
- Open a retirement plan if newly self-employed.
- Check status of all retirement accounts.
- Consider Social Security claiming options.

3. Investments

- Confirm investment goals and strategy.
- Review asset allocation for rebalancing opportunities.
- Review fundamentals of portfolio positions.
- Revisit income and savings needs.
- Re-examine asset location.
- Review outstanding loans & mortgages.
- Review dividend distributions.
- Review employee stock options.

4. Insurance

- Review property and casualty policies.
- Review costs of current insurance policies.
- Review health insurance coverage.
- Identify material changes in life, business, or financial circumstances that may require insurance adjustments.

5. Health

- Review employer's health insurance plan.
- Shop state health insurance exchange.
- Review Health Savings Account contributions for 2021.
- Spend any remaining balances in Flexible Spending Accounts.
- Review Medicare enrollment options.

6. Milestones

- 50: You can make catchup contributions to IRAs and some qualified retirement plans.
- 55: You can take distributions from 401(k) plans without penalty if retired.
- 59½: You can take distributions from IRAs without penalty.
- 62-70: You can apply for Social Security benefits.
- 65: You can apply for Medicare.
- 72: You must begin taking RMDs from IRAs.

7. Investments

- Did you move?
- Did you sell a major asset like your home, business, or other real estate?
- Did you transfer any major financial assets?
- Did you refinance your house?
- Did you change jobs?
- Did you get married?
- Did you end a marriage?
- Did you add to the family through birth or adoption?
- Did you lose a loved one?
- Do you have a parent or other family member in need of assisted living?
- Is there a severe illness in the family?
- Did you receive a gift or inheritance?

8. Family

- Contribute to education accounts.
- Review and fund trusts.
- Make any cash gifts to family members.
- Plan charitable contributions.

Lastly, be sure to update info for tax professionals, insurance agents, attorneys or other advisors that may need to be consulted.

Should any of these items need attention, we invite you to contact us. The year isn't over yet! We wish you a joyful holiday season and we look forward to all that the season brings.

Greg Patterson and James Allen Canady are financial advisors located at Atlantic Wealth Management, 712 Bridges Street, Morehead City, NC 28557. They offer securities and advisory services as Registered Representatives and Investment Adviser Representatives of Commonwealth Financial Network®, Member FINRA/SIPC, a Registered Investment Adviser. They can be reached at 252-515-7800 or at greg@myatlanticwealth.com.

In the Life of Our Firm and Our Families

From Greg

Hey everybody! I am excited to share that Melissa and I are enjoying being new grandparents as of mid-August! Our daughter Caitlin and son-in-law Tyler are the proud parents of Evan Andrew Schryver. They recently visited us with Evan, and we were able to share in all the fun that comes with a newborn. Our middle daughter Alli and her husband Shelby are expecting a baby boy due November 2nd! What an exciting time in our family – double grandparents this year. We are so thankful! We recently completed moving my dad to the Crystal Coast from upstate SC to be near us. He is living in Brandywine Bay, which is about 5 minutes from our home. It was quite an undertaking getting him moved in, but he is all settled and looking forward to the end of hurricane season. Melissa and I took a road trip earlier in the summer, driving 5,400 miles from Morehead City to Big Fork, Montana, and back. Our oldest son lives in St. Paul, Minnesota, and we were able to spend time with him and enjoyed driving through the heartland of America. We hiked in Glacier National Park and went to Hungry Horse Dam where we explored the National Forest. The beauty of our country is awesome, and we were most impressed by the Rocky Mountains and the lakes in Glacier National Park. As you may remember, our family tradition is to gather for the holidays in mid-December. This year, our family is going to stay in the mountains in Valle Crucis, NC. We look forward to being together and taking time to enjoy a good book or gathering everyone around the fire pit. I hope each of you enjoy whatever traditions your family shares together, and I look forward to hearing what you've been up to when we see each other again.

From Rachel

Fall has always been my favorite time of the year. I might be slightly biased – I'm a fall baby, was married in the fall, and my son was born in the fall. This time of year brings to mind a childhood of traveling to soccer games, colorful leaves along the parkway, apple picking at Delicious Orchards (Colts Neck, NJ), craft fairs, and pumpkin picking at the local farm. I love the crisp morning air with a hot cup of tea and breaking out all of the family winter crockpot recipes. Since our last update, Luke turned 3 in September and

started his first year attending Ann Street UMC preschool. Stephen is looking forward to the end of our busy season and moving forward with plans for winter projects. I am finishing up my second-to-last semester at UNCW and cannot wait for May to get here! We are still on the hunt for a house but cannot imagine living anywhere besides the Crystal Coast.



From Mackenzie

Hello, everyone! I cannot believe how fast this year has flown by. We have now lived in Morehead City for more than a year and continue to enjoy it more with each passing day. We have now been able to experience Crystal Coast staples, including MHC Marlins baseball games, the Big Rock tournament, and the Seafood Festival. We continue to enjoy spending our weekends on the boat fishing and spending time with friends. Michael has been teaching me how to drive the boat onto bait fish so he can throw the net and have live bait, but it is still a work in progress. Speaking of a work in progress, the house projects continue, and we are learning that there is always another project! We are currently working on clearing out a very overgrown backyard, and I am growing increasingly aware of the snakes and spiders and bugs. Michael has completed the Harrier training squadron and has officially joined his first fleet squadron at Cherry Point. After spending the past few years in different training squadrons, he is looking forward to fleet life. We are excited for the holidays and are looking forward to visiting family and friends back in Kentucky. I have completed my securities licensing exams and am quickly approaching my one-year mark with Atlantic Wealth! I am so grateful to work with such wonderful people. Greg, JA, Tara,

and Rachel have been such a blessing to my life, and I am so thankful to be part of a company that supports and encourages me in all things. I have truly enjoyed meeting all of you and hope to see you when you pick up your Thanksgiving pie!

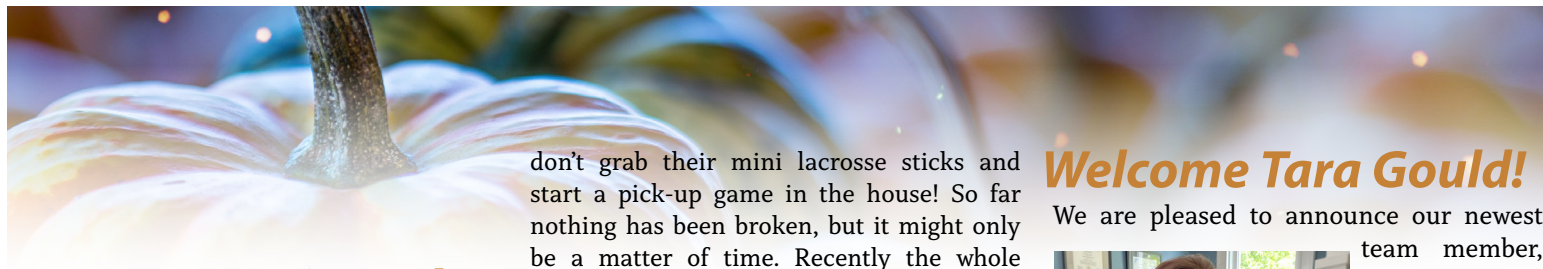
From Tara

This summer was our first time living back in North Carolina in more than 9 years! Prior to moving back, we lived in Japan, Virginia, and California. Our families live close by in the Richlands/Jacksonville area, so we have been able to visit on the weekends and be a part of special occasions. My position here as a Paraplanner has been an incredible blessing. Being able to interact with great people on a daily basis fills my heart with joy and brings light to my career. With the school year back in full swing, our daughter Avrie is busy as a sophomore at Gramercy Christian School. I've

been warned about parenting a teenager but had no idea what I was getting into! My husband, Adam, and I are excited to see what God has planned for her future. Over the summer months, our family took every opportunity we could to venture out and explore. We spent time in Beaufort exploring historic homes, walking the waterfront here in MHC, finding seashells on Radio Island and eating at great local restaurants. Adam and I were lucky enough to witness a dear friend of ours get married in Fort Collins, Colorado, over the July 4th weekend. What a beautiful state! I have truly enjoyed meeting many of you over the past few months and look forward to meeting those of you whom I have not had the pleasure of meeting yet!

From JA

Ok, so what's the latest in the Canady household? Well, after a fun but fast summer, we now have all the fall activities in full swing. Reese turned 9 back in June, and he and Sadie (7) are both playing Seashore Soccer. Reese has historically played defense as sweeper, but after scoring a goal at the forward position he's caught the fever to play offense as well. Sadie is a beast on the soccer field too! She scored 3 goals in her last game. I get to help coach both teams, which is a blast for me. We tried letting the three younger girls – Rosa, Nellie, and Eliza – participate



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in the soccer skills practices with Seashore, but after the second practice, Elizabeth said, “No more!” Between one not listening, one walking off the field, and one constantly having to go to the bathroom, we decided they might not be old enough yet for this. The three of them started Nature School at Camp Albemarle, and they’ve been super excited about this. They get to go two mornings per week. Rosa turned 5 in July, and Nellie and Eliza will turn 5 in November. Gymnastics is another activity that Sadie, Nellie, and Eliza have been continuing. Sadie is on the competition team at Crystal Coast Gymnastics and looks forward to her first official competition in January of 2022. Nellie and Eliza are trying to follow in her footsteps. My boys, all three, are into lacrosse. Reese is playing on a travel lacrosse team this fall based out of Wilmington, and Jac (2) and his buddy (also 2) that we are still fostering can’t wait until they are both old enough to play on an organized team. We just have to be sure that the little ones

don’t grab their mini lacrosse sticks and start a pick-up game in the house! So far nothing has been broken, but it might only be a matter of time. Recently the whole family, especially the three boys, enjoyed going to the Cherry Point air show. Since then, the two little ones keep a mini airplane in their hands almost 24/7, and every plane is now called a few-angel “Blue Angel”. As far as school, Reese and Sadie have settled into their homeschool routines and enjoy meeting up with their peers one day a week in a classroom setting. They are also both in a 7–10-year-old discipleship class at church and are reading and memorizing scripture weekly. Reese continues to play the drums as part of the worship team at church, and it never gets old being able to lead and worship and play music together. God continues to grow this talent in him. Elizabeth continues to be an amazing mother and wife. She keeps everyone on track even in the midst of what some might call chaos. God has tremendously blessed us with each other and our family, and we continue to strive to be good stewards of all that He has given – 1 Peter 4:10 – “As each has received a gift, use it to serve one another, as good stewards of God’s varied grace.”

Welcome Tara Gould!

We are pleased to announce our newest team member, Tara Gould! Tara has joined the team as our Paraplanner and will help provide support to you as it relates to financial planning, investment research, and delivering a quality client experience. Tara earned her bachelor’s degree in Finance from the University of Maryland Global Campus and completed her certification in Financial Counseling through the Association of Financial Counseling and Planning Education. Tara earned the designation of Chartered Financial Consultant from The American College of Financial Services in addition to the designation of CERTIFIED FINANCIAL PLANNER™ professional issued by the CFP Board. We are excited that Tara has joined our team and are confident you will enjoy meeting her!



Back, left to right - Reese (9), Sadie (7), Nellie (4)
Front, left to right - B (2), Rosa (5), Jac (2), Eliza (4)

Offer to Help

We are honored to be the advisors you’ve chosen to help manage your financial life. In our experience, our clients who value the comprehensive services we offer often have a family member or friend who shares those values.

If someone you know could benefit from financial guidance, or a fresh perspective on their retirement, we would be honored to help. **We are pleased to offer anyone you refer a no-obligation, complimentary financial review.** Your continued trust in us is worth more than we can say. To refer someone, just call our office at (252) 515-7800.



THE FREEDOM TO LIVE INSPIRED

Our Mission

Our advice and counsel is built on a foundation of faith, shared values, open communication and the highest integrity. With world-class service, we grow and protect our clients’ hard-earned wealth so that they are free to live inspired.

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