

My Atlantic Wealth

FALL EDITION 2019

From Our Corner

We consider all of you part of our family and are excited to share these personal updates with you!

[SEE PAGE 2 >>](#)

Charitable Giving

How to think strategically about your year-end giving

[SEE PAGE 3 >>](#)



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Atlantic
Wealth Management

THE FREEDOM TO LIVE INSPIRED

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Recovery

By Greg Patterson

As we pass the one year anniversary of Hurricane Florence, we are reminded of the many who have been impacted and the widespread recovery effort that has brought people across our community together and I believe made our community stronger. The majority of us in our immediate area were spared by Hurricane Dorian but others were not so fortunate. Our thoughts and prayers are with those who were impacted and we desire to help anyone looking to lend a hand or a contribution – just give us a call for more information on how you can help.

Speaking of recovery, we believe this secular bull market continues to advance and reach for higher valuations albeit with a “grinding it out” persona. The S&P 500 index recovered from its recent 2,844 low reached on August 5th with a turn around to a near all-time high of 3,007 reached on September 12th. The all-time high of 3,025 was reached on Friday, July 26th of this year. Supporting this valuation are strong jobs numbers, consistent wage growth, increasing retail spending, strong consumer and low inflation data along with a favorable tax structure. Secular bull markets tend to last 15+ years (1949-1966 and 1982-2000) and this one began in the spring of 2009 with some time left to go. We have advised to raise cash by selling profits from time to time where it made sense based on your particular situation and we have also re-allocated and rebalanced capital from time to time based on our forward guidance just as we did this past summer. While we provide investment advice specific to each client’s situation, we remain firm that this is a continued recovery and we favor being invested to participate in it. Provided real consumer spending, which makes up 70% of aggregate demand, continues to increase at a pace of 2%, it will take noticeable weakness elsewhere to move the US into a recession.

That being said, we do recognize the slowdown in real business fixed investment which fell for the second consecutive time in the third quarter. The continuing issues with China and the ensuing trade war appear to be impacting business investment decisions and could lead to a further drag on the global economy. We continue to pay close attention to this situation and will be watching the jobs reports along with how the Fed responds to the economic data. They appear poised to cut rates again to avoid a recession.

For you, our clients, these times can often be anxious, especially if you are prone to watching the 24 hour news coverage. Our advice is this – turn off the TV, put on your walking shoes and take a walk around the block. Better yet, take your dog to the beach and enjoy a sunset. We will monitor the situation and major economic data and focus on keeping you on track to reach your most important goals. That is our commitment to you and we are honored to serve as your trusted advisor. If you have any questions or concerns as it relates to your finances or anyone you care about, please feel free to reach out via phone or email at greg@myatlanticwealth.com. We stand by ready to serve you. ■

“God is our refuge and strength, an ever-present help in trouble.” - Psalm 46:1

In the Life of Our Firm and Our Families

From Greg

As I write this, the temperatures are cooler and I am reminded that fall is my favorite season: Friday night high school football games, late afternoon sunsets and traditions like hayrides and oyster roasts. This past summer I joined my oldest son, Austin, for a 20 mile hike of the southern loop in the Linville Gorge Wilderness area. This was a trek that we had been planning for some time and we were both excited to get off the grid for the weekend. The Gorge is a part of North Carolina that is extremely rugged but beautiful and remote. Also known as the Grand Canyon of the east coast, it is 35 miles north to south and is divided by the Linville River. Our hike started in the southern most point near Lake James and took us up to Table Rock, down the Spence Ridge Trail and around the mountains to Sea Trail. We finished up the weekend with an important stop at the Carolina Diner in Morganton, NC. Being outdoors is a love of mine and I am grateful to share this passion with my children.

More recently, JA and I attended Commonwealth's national conference in Denver, Colorado. Over the course of four days we attended various sessions, learning from economists and asset managers and participating in continuing education and training on various subjects like tax and estate planning. I always look forward to this professional development as it allows us to continually add value through the advice we give to you, our clients.

From Kim

Another Fall, another hurricane season. My evacuation from Dorian and leaving my home, once again, turned out to be quite a pleasant adventure this year. We were blessed to have the opportunity to flee to the western part of our state and visit Asheville.



JA and his wife, Elizabeth, and Greg at the Commonwealth conference in Denver, CO.

As you all know, I'm a "beach girl!" but what a beautiful area I got to see and explore, and my pup, Bailey Clyde, saw his first wild turkey and black bear. From the cool waters of the French Broad River, to walking the many surrounding small towns and taking in the sites and culture each had to offer, to the fresh apple stands along the road, hiking trails, hot springs and culinary delights, it was such a warm welcome from a community so far away. The majestic views were breathtaking and I will not soon forget. We certainly felt safe and loved.



From Matt

Greetings all! By now I have met most of you, and if I have not, I look forward to doing so in the near future. Since moving to the area in May, I have begun to settle in. Life at the beach is different than the places I've lived before, but I am enjoying the Crystal Coast. My time recently has been dedicated to studying and thankfully passing the SIE and Series 7 exams. By obtaining my professional licensing, I will be able to serve you, our clients, at the highest level. Outside the office, I had a great summer with many friends from college coming to visit me—a perk I'm discovering of living near the beach.

On the weekends I've also enjoyed visiting my 10-month old niece, Ella. (It's pretty awesome to be an uncle for the first time.) I've also made visits to see my sister and her husband in Clayton, NC, and my other sister and her husband in Dublin. Also, I think my mom enjoys that I live at the beach now because she is starting to visit me more, too. It has been quite the transition from college, but I could not be more grateful for the support I have gotten from the whole team

here at Atlantic Wealth. It truly feels like a work family. Outside the office, I'm excited to be coaching the JV basketball team for the local homeschoolers association. I hope to pass on some knowledge not only of basketball but real life skills! As always, I would appreciate your prayers as I continue to put down my roots. Thank you and I look forward to seeing you soon!

From JA

I'm excited to share with you all that is going on with the Canady family! Some big news is that on October 15th, Elizabeth's birthday, we officially adopted Rosa Caroline Canady! Rosa loves people and is a ball of energy. If her determination is channeled in the right direction, there's no telling what she'll accomplish in her life! Rosa came to us when she was 10 ½ months old, in June of 2017, so she had been with us for more than two years in foster care! We are thankful that God has brought her into our lives and made her part of our family, and we look forward to all that God has in store for her.

So the "triplet" sisters are now officially Canady sisters. Rosa turned three in July, and Nellie and Eliza are right behind her with their upcoming birthdays in November. Another big accomplishment has been getting these three potty trained! When Jac was born in March, there was extra incentive to do this since that meant we had a total of four in diapers. I'm happy to report that we've now dropped back to only one child in diapers! It's nice to be able to communicate better with all of them and see how each of them are very different. Rosa is trying out preschool for a couple days a week, and the "triplets" are trying out beginner gymnastics – all in the same class! There's definitely a lot to be learned, but they are the cutest wearing their little gymnast outfits passed down from their big sister, Sadie.

Jac is doing great and still the best baby we've had! He stays happy almost all the time and has big, bright blue eyes and the most contagious smile. He's now seven and half months old, and time is flying! His growth has picked up steam since starting baby food. Jac is no longer nursing and has made a smooth transition to formula. His sisters and brother love him to death and are very helpful – most of the time. And we're still waiting to see what color hair he's going to have since it has changed so much already.



Charitable Giving

...continued

Presented by Greg Patterson and James Allen Canady

Reese and Sadie are both growing by leaps and bounds. Sadie is five and a half, and her passions are art, gymnastics, horses, and soccer. Soccer is a new sport for her, but we have been impressed and proud of how aggressive she plays and how much fun she is having! Reese is playing fall soccer, too, and loving it as always. He's seven now, continuing to learn and read, and is still very much involved in music, especially playing the drums. A recent highlight was he and I playing together on SasSea's stage at the Seafood Festival along with a group from the worship team at Life Church.

Elizabeth and I celebrated our 15-year wedding anniversary this past June! We are so thankful for our marriage and how God continues to work in our lives, giving us the energy, strength, discipline, time, and ability to do all that we do. Only by the grace of God! Thank you for all your well-wishes and prayers! We appreciate the relationships we have with all of you and that we can all be part of the Atlantic Wealth family!

As we read in Numbers 6:24-26, "The Lord bless you and keep you; the Lord make his face to shine upon you and be gracious to you; the Lord lift up his countenance upon you and give you peace." ■



Congratulations to our own Matt Massengill for recently passing his SIE and Series 7 professional licensing exams!

As the holiday season approaches, and approaches quickly, automatically our thoughts go to family, gatherings, gifts and maybe even a vacation. These things should never be taken for granted and are no doubt a staple in how many celebrate the end of the year. One topic that has been top of mind here at Atlantic Wealth Management has been giving. Giving happens in a multitude of ways: time, money, support, prayers. This year we have been able to assist many of you in giving financially to charitable organizations ranging from churches to colleges, veterans organizations to community impact organizations and other religious organizations.

In addition to helping support many great causes, charitable giving can play an important role in many estate plans. Philanthropy can not only give you great personal satisfaction; it can also give you a current income tax deduction, let you avoid capital gains tax, and reduce the amount of taxes your estate may owe when you die. There are many ways to give to charity. You can make gifts during your lifetime or at your death. You can make gifts outright or use a trust. You can name a charity as a beneficiary in your will, or designate a charity as a beneficiary of your retirement plan or life insurance policy. Or, if your gift is substantial, you can establish a private foundation, community foundation, or donor-advised fund.

Qualified Charitable Distribution

If you are over 70 ½ and have a traditional IRA or beneficiary IRA, one tax-advantaged way to give is through a QCD, or Qualified Charitable Distribution. The QCD allows you to make IRA distributions directly to a public charity and avoid this amount being reported as income on your tax return while still fulfilling your required minimum distribution. The QCD became even more attractive with tax law changes beginning 2018 that increased the standard deduction and put limits on itemized deductions. With less people itemizing expenses, the QCD allows the exclusion of these IRA distributions from income so that taxpayers benefit from charitable giving even if they take the standard deduction. And for those who still itemize, there is benefit from reducing AGI (adjusted gross income) by utilizing the QCD.

As we move into the remaining few months of the year, we hope you will take some time to consider how you can give before year-end as well as plan for what giving looks like for you next year in 2020. As you do this, remember that giving happens in a multitude of ways: with our time, money, support, and prayers. As always, if you have any questions or would like to discuss specific desires based on your financial situation, we welcome the opportunity to sit down and talk through this with you. ■

This material has been provided for general informational purposes only and does not constitute either tax or legal advice. Although we go to great lengths to make sure our information is accurate and useful, we recommend you consult a tax preparer, professional tax advisor, or lawyer.

Super Simple Fall Pumpkin Dip

Ingredients

- 16 oz of cool whip
- 3 small boxes of instant vanilla pudding (dry mix only, don't make the pudding)
- One small can of pumpkin

Instructions

Mix everything together and add some pumpkin pie spice to your liking. Serve with graham crackers and enjoy!



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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.

Atlantic Wealth Kids



Reese (7), Rosa (3), Nellie (2), Eliza (2), Sadie (5), and Jac (7 ½ mo).
All officially Canady kids now after Rosa's recent adoption!

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.



Atlantic
Wealth Management

THE FREEDOM TO LIVE INSPIRED

Save the date!

Annual Christmas Social Drop-in

We invite you to join us for hors d'oeuvres and fellowship
Thursday, December 5th from 4:00-7:00pm
at the Atlantic Wealth office

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