

Time for a Raise? Smart Tips to Help You Ask

By Sabrina Lowell

If you want to build wealth, the two main things you can control are your income and your spending. You might be making smart spending decisions, but you should also do what you can to increase your pay. This is especially true for women, who tend to earn less than their male counterparts. Because of this, women may have less money to put aside for retirement. So go ahead and ask for a raise; it can make a big difference later on.

The good news is that asking usually works. In a 2014 survey of more than 31,000 employees, PayScale.com reported that across almost all wage levels, 75% of people who asked for a raise got at least a small increase, even if it wasn't the amount they asked for.

If you're thinking about asking for a raise, here are a few tips to help you:

1. Ask about raises before you're hired

It will be easier to ask for a raise if you already know the company's policy. That's why it's important to ask about the compensation review philosophy, and how they apply it across the workforce, early in the hiring process. Will you receive cost-of-living increases or merit-based raises, or do pay bumps come only with promotions? How frequent are salary reviews, and what is the methodology behind them?

2. Don't wait until your annual review

Don't spring the salary conversation on your boss during your annual review. If you didn't ask about raises when you were first hired, open the dialogue early in the year. Use check-in meetings to establish shared expectations as to what might take place, so there are no surprises when the review comes up.

3. Be clear about what you want

Don't focus only on what you want in the near term; consider where you want to go with

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You Need these Health Care Documents in Place—Now

By Elizabeth Revenko

As you age, things stop working quite as well as they used to. Sometimes you know it and can adjust. Other times, it happens without being aware of how much your capacity to make decisions and execute transactions has diminished. Women, in particular, are more likely to be single at the end of their lives. While you may have saved enough, as you get older, your health can fail, you may not be able to make consistently good financial decisions, and it's more likely that you might end up the subject of fraud or abuse.

Due to privacy laws, there are limits to how much one person or professional can do to help if they begin to notice failing abilities. As financial planners, we can help ensure your financial situation is solid and in good hands. But under normal circumstances, we are limited as to how much we can disclose about you to anyone else. Even if we were to notice what might be signs of dementia, we normally wouldn't be able to share our concerns with your family or doctors.

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your career.

What steps will you take to get there, and how will your salary change? Sometimes it's easiest to discuss your end goal, getting your boss to buy into the long-term vision, and then co-create your salary changes along the way.

4. Make sure your request is reasonable

Do your homework. Compare salaries using websites such as Salary.com or Glassdoor.com, and talk to recruiters to learn the going rate for your position and experience. If your boss counters your request, sometimes it's appropriate to negotiate.

5. Don't be afraid to ask

When was the last time you asked for a raise? If you're a woman, studies have shown that you're less likely to ask than your male counterparts are. It's not something we practice often, so it can be intimidating. But don't be afraid. You won't get what you don't ask for. And in some companies, it's incumbent upon the employee to make a case for an increase.

Keep in mind that your boss has to divide his or her attention between you and your co-workers. When you rehearse your speech, consider your timing.

And remember that even if you don't receive a raise immediately, that doesn't mean your request won't be considered in the future. Sometimes you have to be patient.

6. How to position your value

For many women it can be hard to blow your own horn, but to prove you deserve a raise you'll need to be able to talk specifically about particular achievements. For example, calculate the value of your accomplishments, such as how much additional savings or added revenues from increasing sales or profitability were a result of your contributions to projects you worked on. Research is out there suggesting that women bear a higher negative cost in salary negotiations; these factors can usually be alleviated by positioning your value in terms of how it is good for the company as well.

When To Ask

- Before your annual review
- When you've successfully navigated additional responsibility
- In preparation for a position change—but not at the last moment

When Not To Ask

- When you've had a bad review
- When the company's finances are under great stress

The Savvy Women's Guide to Financial Security

We at Mosaic have recently put together an e-book, "The Savvy Women's Guide to Financial Security." This is a collection of practical insights about how to prepare yourself and your family to feel financially secure from now through the rest of your life.



What's in this book?

In this free guide, we get right to the point about what actions you can take to overcome financial worry and get on track to achieve financial independence:

- How to leverage your career to gain greater wealth and happiness
- How to have better conversations about money with your partner and children
- How to prepare for long term care needs for yourself and your parents

To download or share the e-book with friends and family, please visit:

<http://www.mosaicfp.com/ebook>

Social Security Rule Change

By Mary Ballin

New changes affecting how Social Security benefits can be claimed were announced in late October. These changes affect the use of the “File and Suspend” claiming strategies; change the “Deemed filing” age; and eliminate the ability to receive retroactive benefits.

Note that there are NO changes to the “core benefits” of Social Security or the factors used to calculate benefit payments.

New Rules: “File and Suspend”

“File and Suspend” has been a strategy used by married couples to maximize benefits and allow both spouses the ability to push their own benefit payments out to age 70 in order to get the higher benefit amount on both work records

In the past, the “file and suspend” claiming strategy was used by married couples and allowed a worker to be able to “file” for their own Social Security benefit then immediately “suspend” the benefit payments in order to allow their spouse, who is full retirement age, to take a spousal benefit. By electing this, the worker could allow his/her benefit to grow until they reached age 70, resulting in a benefit increase for each year suspended. Because the spouse wasn’t taking their own benefit and was only taking a spousal benefit, their benefit could also grow until they also reached age 70.

Now under the new rules, when a worker files for benefits to allow their spouse to receive a benefit off their record (i.e. spousal benefit), the worker must take their own benefit at the same time. There is no longer an option to “suspend” taking your own benefit just to allow your spouse to take a spousal benefit based on your work record.

If you have already started a “file and suspend” strategy, the new rules will not affect you. Also, a worker can still voluntarily choose to suspend their benefits and earn the increase in their benefit up to age 70. The difference now is that their spouse can’t take a spousal benefit while the worker has their benefits suspended.

New Rules: “Deemed Filing”

In the past if a worker was younger than their full

retirement age and filed for Social Security benefits, they were “deeming” to file for all benefits. If they waited until their full retirement age, the worker could choose to take their benefit or their spouse’s benefit.

Under the new rules, “deemed filing” is now pushed out to age 70. This means if you file for benefits prior to attaining age 70, you are filing to take all benefits on your record at the time of filing (you can’t choose between your own benefit and your spouse’s).

Note that the “deemed filing” rule changes will not effect widow(er) benefits.

New Rules: “Retroactive Benefits”

Retroactive Benefits: Under past guidelines, when a person filed for benefits they could back date the filing and receive a lump sum for the missed payments. This option is no longer available. So if you postpone taking your benefit, either on purpose or by mistake, you can not file and ask to be paid for the time that you postponed.

Who may be affected by this?

The effects of the new rules will be felt differently depending on one’s age.

1. For those that have already started benefits, there is no change.
2. Those that are at least age 66 today can choose to use the file and suspend strategy until 4/29/2016 and choose to delay retirement credits for up to 4 years.
3. Those who are age 62 by 12/31/15 are grandfathered and are not subject to the new deeming rules.
4. For those born in 1954 or later, the new rules will apply when they file.

Final Takeaway:

When planning how to use Social Security benefits, a key calculation is whether to start payments at the full retirement age, or to defer them and allow them to grow. With the new rules the break even age between these two choices will be pushed back to a later age. Life expectancy will continue to be very critical in the decision making process, but remember that Mosaic is here to guide and help you with these decisions.

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To help address this problem, a “**Diminishing Capacity Letter**” would give someone you trust, like your financial advisor, permission to talk to those you would want notified (you make up your own list of one or more people) should signs arise that your capacity seems to be declining.

This gives your trusted advisor or friend explicit permission to reach out to the people you would want to alert, when we would otherwise have to be silent. *Tip: Add your doctor to the list so that your professionals can alert your physician that you might need a checkup.*

A Diminishing Capacity Letter is just one of several documents we believe you should create today to communicate your late age wishes so that loved ones and doctors can give you the help you want, when you want it, as your skills decline. Here are some more we recommend to you:

The Five Wishes: This is not a legal document per se, but it’s a good place to start. It helps you examine the decisions you need to make about your end of life care, and it can help guide the drafting of the rest of the documents mentioned here. It also can help you provide nuance in your instructions. It is a valid document in all 50 states if attached to a living will. Download it here: www.agingwithdignity.org

Durable power of attorney for health care: This is the gold standard of health care documents. It is a legal document that names who you will entrust to make medical and health care decisions on your behalf. *Tip: If you already have one that is gathering dust in a drawer, pull it out to make sure it still reflects your wishes and includes “HIPAA language” (the legalese that allows medical professionals to share your medical situation with authorized parties).*

Living Will: Everyone older than 18 should — at the very least — have a living will in place. Do you shudder at the thought of being kept on life support indefinitely, or at the thought of not being kept on it as long as possible? This document outlines what type of treatment you wish (and don’t wish) to receive in case you are incapacitated. This document

needs to be completed in advance, while you are still in complete command of your faculties. It’s free, takes 10–20 minutes to complete and does not require a lawyer or notary. Every state has one. You can find the one for your state here: <http://www.caringinfo.org/i4a/pages/index.cfm?pageid=3289>

DNR/DNI Order: This is related to the living will, and spells out circumstances in which you do not wish to be resuscitated. You may not think you have an opinion on this, but when you start to think about it, you’ll probably realize that you actually do have preferences. Let them be known. *Tip: Medical professionals know to look for these on your fridge.*

Organ donor registry: Becoming an organ, eye and tissue donor truly shares life with

others, but it’s not enough to stick that little pink dot on your driver’s license. You need to register your wishes with: www.organdonor.gov

Ethical wills and legacy documents: These informal documents allow you to pass on wisdom and life lessons to your loved ones, or even simply tell them you love them. It’s something that many people want to do but rarely take the time. Start with this: <https://celebrationsoflife.net/ethicalwills/>

No one wants to think of the worst happening, but it’s an act of love for your family to ensure you are prepared in case something bad happens. When bad things happen, you may have to rely on a document to communicate for you. If you are incapacitated, the documents listed nearby should be in place to say who is authorized to speak on your behalf about the kind of care you do or do not want. It’s an unexpected and valuable kindness to your family members to have these in place.

List of Documents for Health Care

- Diminishing Capacity Letter
- The Five Wishes
- Durable power of attorney for health care
- Living Will
- DNR/DNI Order
- Organ Donor Registry
- Ethical Wills and Legacy Documents

No one wants to think of the worst happening, but it’s an act of love for your family to ensure you are prepared in case something bad happens.



In 2016, Mosaic will be continuing the conversation series we call the Mosaic Women's Circles. These are opportunities for women to come together to deepen understanding of financial topics through sharing stories and asking questions.

Each quarter, our hosts Mary Ballin, CFP® and Liz Revenko, CFP® will be presenting a different topic important to women and their financial needs, and facilitating a discussion in a relaxed, supporting environment.

Sign up today to get in the loop for the Mosaic Women's Circles: <http://www.MosaicFP.com/Circles>

Educate Your Children on Finances by Creating a Family Council

By Mary Ballin & Ricci Victorio

If your children are to succeed financially, a key to that success will be their ability to make good money decisions. Much of what most of us learn about money comes from our parents. To ensure the right lessons will be learned, parents must be deliberate about teaching their kids how to handle their finances. One of our favorite tools for this is the family council.

Research by the Global Financial Literacy Excellence Center shows millennials face a serious financial literacy gap. This has led to a prevalence of high-interest debt, and fewer young people turning to professional advisors for help.

Start a family council

A family council lets you keep family business conversations separate from family social events. Setting aside an official time for the family to talk "officially" encourages a more formal and orderly approach to discussions. It can also help avoid having heavy topics ruin social occasions such as Thanksgiving dinner or the Fourth of July barbecue.

Transparency around family finances can help stave off fears and disappointments that impair family harmony. Even young children benefit from seeing how big decisions get made, such as where the family will vacation next year and how you'll pay for it.

When children attend regular family meetings to talk about money, problem solving and planning, they'll be able to carry those skills into their adult lives and pass them on to their own children.

How the family council works

A family council should set an atmosphere in which everyone is professional and courteous, even when making difficult decisions.

Once your family decides to set up a family

council, we suggest you first draft a family charter. This charter should define the purpose and vision of your family council, lay out your family's financial objectives and detail the core values you want to communicate to the next generation. The charter will help clarify for everyone what should be on the agenda for each meeting.

Family councils vary as widely as the families who hold them. Yours will vary based on a lot of factors, including how significant your family assets are, whether you have a family business, your children's ages and whether you're caring for aging parents. For families with grown children or kids who are approaching adulthood, we suggest explaining the concept of your estate plan as specifically as appropriate.

Good Topics to Cover

- Budgeting
- Family Decisions
- Upcoming Purchases
- Travel Plans
- Charitable Giving
- Volunteer Activities
- Investing
- Insurance

Set the stage for financial independence

As with everything else, your kids' personalities will affect how things work. Some teens work during the summer and have the spark of motivation to achieve financial goals. Others are more laid back about everything in life, including financial independence. For those kids, what works may be less carrot and more stick.

How you communicate with your family about finances plays a big role in whether you can achieve your financial goals. Starting a family council is an excellent way to get your children involved early and to address the major issues that affect your family.

Ask Your Advisor

Question: *What types of investments are good for someone in their twenties, thirties, forties, and so on?*

Mosaic:

Your investment strategy should be driven by your goals/needs at any age, and influenced by other factors, including your tolerance for volatility and risk.

In a “normal” scenario, early in your adult life, you can and probably should be investing aggressively. Since you typically won’t have had the chance to save enormous sums, you’ll have less to lose if the market drops (which also offers the opportunity to buy at low points, if you can afford to) and you’ll have plenty of time for the markets to revert to normative returns. If the market works to your advantage in your 20’s or 30’s, the impact on compounded returns can be a positive influence for the rest of your life.

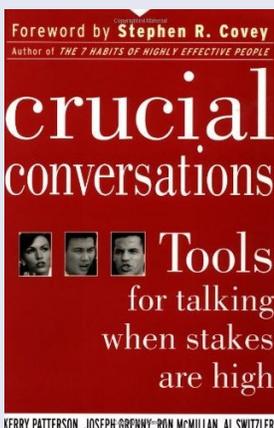
As you age, hopefully your accumulated savings has grown impressively. You make more money, so you can save more, and once the kids are gone, you can turn those expenses into even more savings. So, the natural tendency is to become more cautious. But, you don’t want to turn the dial down and later find you don’t have enough.

At any age, you need to “run the numbers” to find how much to save and how aggressive (or conservative) you’ll need to be to meet your goals.

What We Are Reading:

Crucial Conversations

This quarter, Mosaic is continuing our in-house book club by reading the book, “Crucial Conversations—Tools for Talking When Stakes are High,” by Kerry Patterson and Joseph Grenny. This book shares advice for how to build skills for creating alignment and agreement by fostering open dialogue around high-stakes, emotional, or risky topics.



Season’s Greetings!

*Wishing you Happy Holidays
and a New Year filled with
prosperity and success!
From the Mosaic Team*



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Something on your mind? Send us your questions! Send questions to your advisor, or to our Marketing Manager Leslie Van Zee at Leslie@Mosaicfp.com.



“Diversify, diversify, diversify. Don’t keep all your eggs in one basket, unless its Easter.”

Spotlight on Sheila Schroeder

Sheila Schroeder joined the Mosaic team this fall as Director of Client Development. After 25+ years working in the Asian equity markets with large institutional clients she is delighted to pivot to working with individual investors and families. Her area of focus is people in transition and executive compensation. She is excited about Mosaic because her personal passions for advancing women's rights, financial literacy education, and working in her community dovetail with Mosaic's core values of commitment to service, passion for our work, intellectual curiosity, and responsible stewardship. Fun fact about Sheila: she went to thirteen schools before she graduated from college!

Around The Office...

Congratulations

Susan Morse will be retiring at the end of 2015 after nearly 40 years in the investment world. She looks forward to devoting more time to a new grandchild, women's issues, golf and traveling. 2016 will start with a month-long trip to Australia and New Zealand for golf and hiking. While we are very happy for Susan and her future plans, she will be sorely missed. Her expertise, insights and commitment to service are an example for all our team. We wish Susan and her husband Frank our very best!

Sabrina Lowell was one of two people in the country to receive the national Financial Planning Association's "Heart of Financial Planning" award for her service to the profession and for her many services to her local community, making her the "ultimate financial planning professional."

Andrew Boone (Norm's son) married his high school sweetheart Allyn Evans in September. They live in San Francisco.

At the Podium

In October, **Kevin Gahagan** spoke to "Sons in Retirement" on the ever-popular topic – "Bond Investing in a Rising Interest Rate Environment." In November, as a part of the San Francisco FPA planning day, Kevin spoke on "Investing Basics – Be a Smart Investor."

Education, A Continuing Affair

Steve Branton attended the Prideplanners Conference in Boston, MA on 9/25/15

Geoff Zimmerman Attended and completed the IMCA Advanced Investment Strategist Certificate program for 2015.

In August, **Kevin** attended the FPA's "Far West Round-Up," a small conference held on the UC Santa Cruz campus. In November, **Kevin** attended both

PIMCO's CIO forum and "Behavioral Finance Symposium" held at Golden Gate University.

Exotic travel

Geoff and his wife Lynn spent a week recharging and exploring Maui, both above sea level and below (and tried SNUBA for the first time).

Susan and Frank were in Boston for a technology conference in time to see the beautiful New England colors.

Norm and Linda Boone spent a wonderful week in Cape Breton, Nova Scotia in October enjoying golf, fall colors, the spectacular coastline and a week-long music festival.

Giving Back to the Community

In October, the entire **Mosaic** team volunteered at St. Anthony's Foundation. We got an opportunity to connect with the people of the Tenderloin community through shared moments of compassion and the gratification of creating positive change. We rendered our service in the dining area by bussing tables, preparing and serving nutritious meals, and creating a sense of belonging for the guests.

In early November, **Geoff, Steve, Kevin and Liz Revenko** devoted a Saturday to providing pro bono financial planning advice to members of the public. Their efforts were a part of the Financial Planning Association's "Financial Planning Days."

In October, **Kevin** also participated in the FPA's East Bay Financial Planning Day. In early November, he provided a similar service to students of City College San Francisco.

In early October, **Steve** participated in the Financial Health for Seniors Panel at the LGBT Center.

Ricci Victorio Spent a day coaching entrepreneurs and business owners as part of the SCORE Pro Bono day in October.

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Thoughts to Live By

"Each morning when I open my eyes I say to myself: I, not events, have the power to make me happy or unhappy today." - Groucho Marx

"Fear less, hope more; Eat less, chew more; Whine less, breathe more; Talk less, say more; Love more, and all good things will be yours." - Swedish Proverb

"The reading of all good books is like a conversation with the finest minds of past centuries." - Rene Descartes

"The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy." - Martin Luther King, Jr.

"Experience is not what happens to a man; it is what a man does with what happens to him." - Aldous Huxley

Even more is available on our blog

<http://blog.mosaicfp.com/blog>