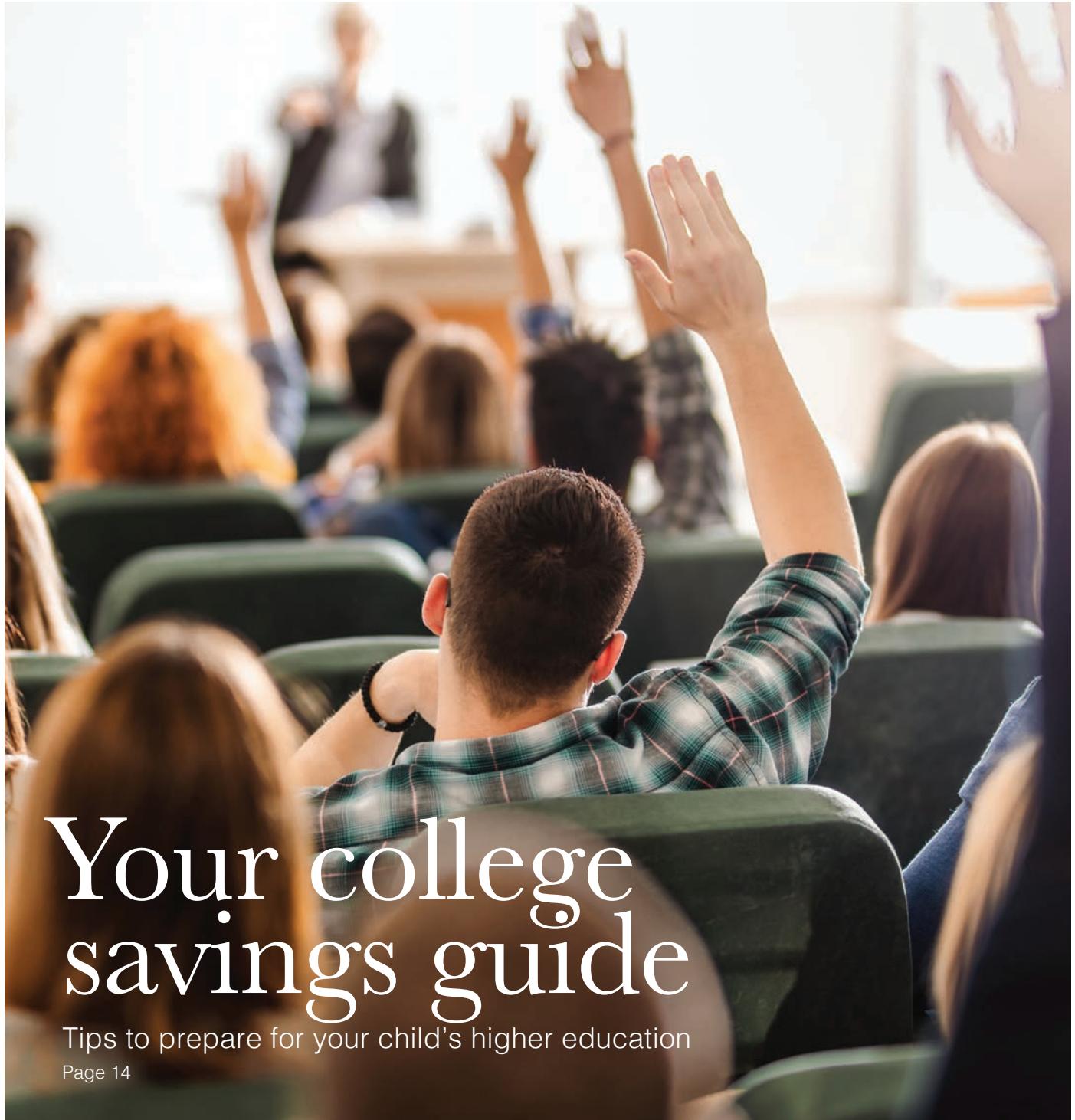


# Thrivent Magazine



## Your college savings guide

Tips to prepare for your child's higher education

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**thrive**nt®

How the  
FAFSA works  
Page 8

Tips to avoid running out  
of money in retirement  
Page 20

Blending families  
and finances  
Page 25

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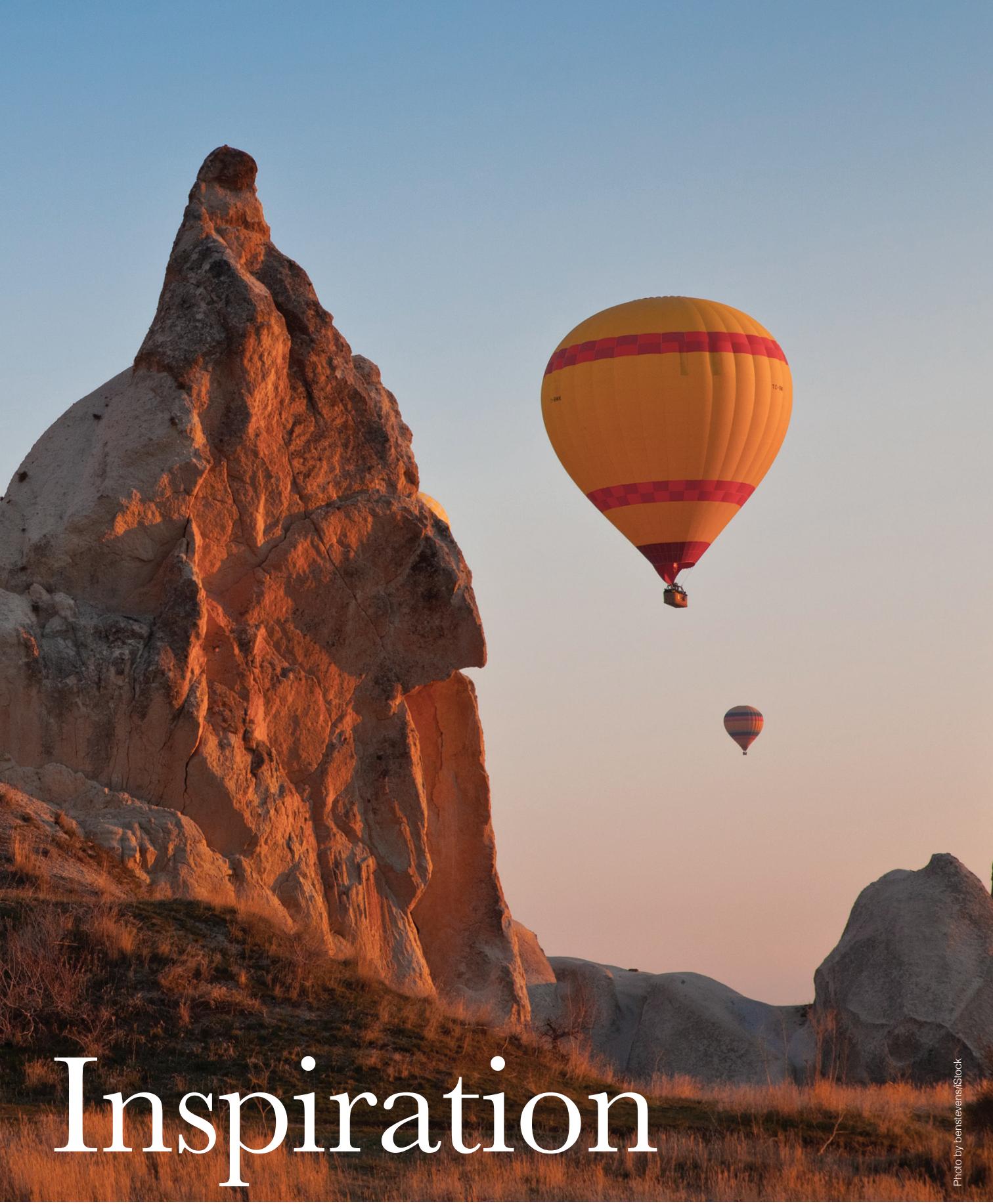


Photo by bernstevens/Stock

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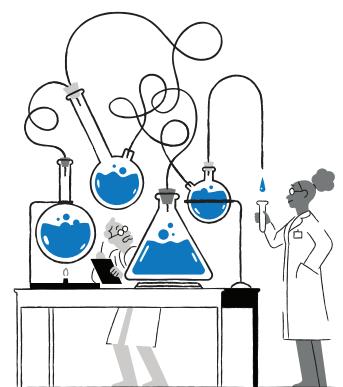
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Photo by skynesher/iStock

# Welcome

## Cherish the small moments

As a child, I remember the joy of hearing the final school bell ring for summer vacation. Growing up on a farm, summer meant spending quality time soaking up nature, riding horses and enjoying freshly picked strawberries from the garden. This year, as we approach the summer months, I'm reminded that this is a time for me to hit pause and spend meaningful moments with those I love while enjoying the outdoors in the warm sun.

It's also a good reminder that our lives are constantly evolving. We're all experiencing growth and change with each passing day. There's great beauty in the fact that we're all on different walks of life; some of us are becoming first-time parents while others are becoming grandparents. No matter your life stage, we all can value the time we get during the summer months and use it as an opportunity to be present with loved ones and manage our resources wisely for what's to come tomorrow.

At Thrivent, just as we know everyone is on a different path, we recognize that financial goals are unique to each person's values and priorities. We're here to help you create and maintain the healthy



habits needed to achieve financial clarity, so you can live a life full of meaning and gratitude. Whether it's saving for your child's education, learning how to merge your finances as a blended family, or preparing for retirement, every goal you make—big or small—is an important one. That's why we strive to help you manage your money in a way that allows you to make the most of all you've been given while living a purposeful life today, and in the future.

As you prepare for the "final school bell," my hope for you this season is that no matter where you are on this journey of life, you're able to hit pause and cherish the small moments with those closest to you. These are the moments when we can truly sit back, reflect and enjoy all that God has given us.

A handwritten signature in cursive script that reads "Teresa J. Rasmussen".

**Teresa J. Rasmussen**  
President and CEO

# thrivent

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# Thrive

Insights and inspirations

## Saving on mortgages, reinvesting in ministry

**New long-term fixed-rate church loan enables California congregation to pay off debt seven years earlier, saving more than \$2 million**

By Donna Hein

The ministry leaders at New Life Christian Center in Turlock, California, always want to be good stewards of God's resources, desiring to invest in ministry, not mortgages.

"The building is only a tool to engage in the work God calls us to do. It's about the people," says New Life Executive Pastor Brett Avery.

Four years into a balloon mortgage with a local bank, the church was facing an impending loan maturity. So New Life began to look for a lender that knew churches and provided long-term fixed-rate options, in hopes of also saving money. Thrivent engagement leader Larry Brundage, who attends New Life, connected Avery with David Lee, senior relationship manager in Thrivent Church Financing. Brundage notes, "Our church loan program is another way that Thrivent demonstrates its commitment to helping Christian churches of all types."

Lee reviewed the church's needs and provided a loan proposal. In March, New Life closed on a new fixed-rate loan to replace the



Thrivent engagement leader Larry Brundage (left) talks with Pastor Brett Avery (right).

balloon loan, which had a planned payoff in 22 years.

"Thrivent offered a rate that was significantly better than our community bank, and it's locked for 15 years," Avery says. "Ultimately it took about seven years off our payoff schedule and saves us about \$2 million. It was really one of God's provisions for us."

Lee added that "the long-term fixed rate insulates the church from interest rate volatility in the future and allows the church to spend less on interest expense and invest more in the ministry."

Brundage started introducing Thrivent at New Life in 2019. He led a few Thrivent Action Teams,

one that created more than 160 kits for the homeless, which church members then delivered.

"I invited Matthew Sebastian, a Thrivent financial consultant in nearby Merced, California, to meet several of New Life's pastors," Brundage says.

The leaders also have been introduced to Thrivent's Money Canvas, a free one-on-one coaching program that helps people build healthier budgeting, spending and saving habits. And Brundage and Sebastian set up a Lunch 'n' Learn with staff to talk about retirement options.

**(Continued on page 5)**

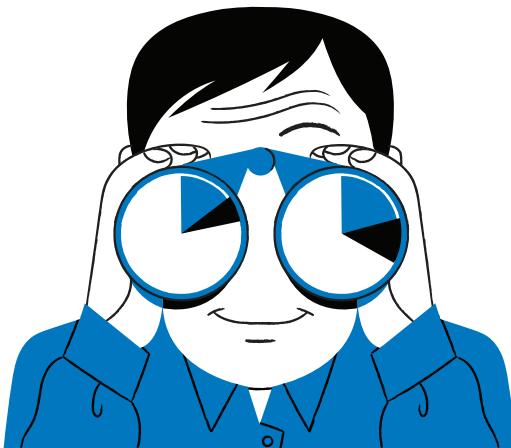
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## Market outlook

# Asset management leaders collaborate even more during market stress

May 24, 2022

By David Royal



It's been a volatile start to the year in the stock market, the bond market and in the economy overall. You might wonder, what goes on at Thrivent in times of market stress?

Asset management starts with people, so our leaders spend even more time than usual talking with one another when things get a little crazy. For example, with inflation concerns elevated, I sat down with Jen Wilson, who leads Thrivent's private equity group that manages investments in private companies for our insurance general account. Jen and her team had prepared a detailed analysis of the companies in which we've invested and potential impacts from

inflation, and we feel we're well positioned overall.

One person I spend a lot of time with, and even more so when markets get choppy, is Steve Lowe, our Chief Investment Strategist. Steve is contributing this issue's "On My Mind" column (page 13). Steve has decades of experience managing fixed income investments, most recently as head of our fixed income mutual funds team. Managers like Steve can be best positioned to spot and respond to global and macroeconomic events, since bond managers always have their eyes on the economy, inflation and interest rates. Steve leads our team that

manages global asset allocation across all our mixed asset mutual funds, such as our Asset Allocation Funds and Income Plus Funds. I can promise Steve is working extra hard to manage your money during critical times such as we're seeing in 2022!

So how does the investment team feel during periods of severe volatility? I can't speak for everyone individually, but when markets are especially stressed, I feel a sense of calm and even enthusiasm from the team. When markets have had strong returns for years on end, it can be harder to find investments that we feel represent good value. When the market is declining rapidly, it tends not to discriminate among companies and good companies can sell off beyond what we believe is justified by fundamentals.

Volatile markets can represent opportunities. Steve's column discusses the benefits of active management, especially in times of stress. Thrivent is financially strong and stable. We invest for the long term. Our team of experienced professionals has invested through turbulent markets before. We welcome the challenge and appreciate your confidence in us.

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**David Royal** is chief investment officer at Thrivent.

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The views expressed are as May 24, 2022 and may change as market or other conditions change and may differ from views expressed by other Thrivent Asset Management associates. Actual investment decisions made by Thrivent Asset Management LLC will not necessarily reflect the views expressed. This information should not be considered investment advice or a recommendation of any particular security, strategy or product.

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# 5 ways to reduce travel stress

## Preparing ahead of time can make your travel experience more enjoyable

By Sofia Haan

### 1. Organize important documents

Traveling by air looks a bit different these days. Check if your airline requires any COVID-19 testing, vaccination or other documents. In addition to packing your credit cards, driver's license, passport and insurance cards, make copies of them in case they get lost.

### 2. Alert your bank ahead of time

Whether you're traveling in or out of the country, give your financial institution a call. Let them know where you'll be traveling to and what cards or accounts you may be drawing from to avoid what might look like suspicious activity.

### 3. Pack smartly

Do you know what size suitcase fits in the overhead bin? Research the

airline's luggage guidelines prior to your trip. A few days before the trip, lay out what clothes you think you'll need, then edit down by finding pieces, like sweaters, that can be used for a few outfits.

### 4. Clean before you leave

No matter how long you're gone, there's nothing better than coming back to a clean and organized home. Take the garbage out, put away all dishes, sweep the floors and clean out the refrigerator.

### 5. Give yourself extra time

Avoid delays and rushing to make your flight. On the travel day, leave your house with plenty of time to get to the airport. The security line may be longer these days, or you may hit unexpected traffic along the way.

(*Reinvesting in ministry page 3*)

"We want to teach about stewardship, preparing for the future," Avery says. "Yet this can be a tricky place for church leaders to navigate. We appreciate that Thrivent is willing to come and share what they offer."

### What does the new loan mean to New Life?

In the near-term, Thrivent helped the church match the new payment with the budget, Avery says. "But long term, we pay it off seven years faster. This is a burden the church will no longer have to carry for 22 years."

In addition, the church will not have to re-qualify or refinance every few years, a big differentiator that Thrivent offers over many other lenders. And no more worrying about where interest rates are headed with a new long-term fixed-rate loan.

"Depending on how God's people give, we could potentially pay it off even earlier and reinvest more into the ministry," Avery says.

\*Thrivent Church Financing is part of Thrivent, a not-for-profit membership organization of Christians. We lend exclusively to Christian churches and organizations and are committed to strengthening Christian communities and equipping churches for the future. Learn more at [thrivechurchloans.com](http://thrivechurchloans.com) or call us at 800-984-9425.

The client's experience may not be the same as other clients and does not indicate future performance or success.



# Thrive

## Giving a piece of herself

### Thrivent client Gwendolyn Steele has financial clarity, enabling her to live a life of meaning and gratitude

By Donna Hein

Gwendolyn Steele had always thought about being an organ donor, and about a year ago that desire became reality. It began in earnest when she met someone who donated a kidney. She started researching both kidney and liver donation options to see if either would be a fit for her.

And even though she learned that a liver donation is a harder surgery, and the recovery is longer because

the organ regrows, Steele, a marketing consultant/website designer from Culpeper, Virginia, decided she would do it if given the chance.

While researching on a Living Donation Facebook page, she met a woman that needed a liver. She flew to Chicago to undergo the tests to determine if she was physically able and if they were a match. While she got a clean bill of health, they weren't a match. Weeks later,

however, Steele received the chance to help a person in dire need.

"This person had two months to live," she says. "We were an anatomical match, but her insurance wasn't as great. That made me want to give it even more."

The transplant—60% of Steele's liver—happened in late July of 2021. Steele was in the intensive care unit for two days and the hospital for a week. And because she lived in Virginia, she needed to stay in Chicago for four weeks. She couldn't be alone, so family and friends rallied to help, creating a schedule and even driving her back home.

"My friends are the loves of my life," says Steele. "I could do this because I had all of them to take care of me. They stepped up, and it was amazing."

Steele, who is fully recovered, met the recipient of her liver donation, a mom of two young children. "She couldn't thank me enough," she says. "I now have a new family of friends in Chicago."

#### What did you learn from your donation?

I've learned to be more patient with myself and to ask for help more. We're all connected when we take care of each other. I felt like I could do this because I have a support system. If you have these things, you could do it, too. Anyone can do this. ([donatelife.net](http://donatelife.net))

#### How do you demonstrate gratitude?

In basic terms, I make sure I say thank you, mean it and make eye contact. I also show gratitude with acts of service or kindness to others. The more thankful I am, the more I want to give. I will stop in on friends with a coffee or flowers or fruit. I'll



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send a card and ask if they need any errands run. Or I'll just leave a silly voice message to make them smile.

#### **How did you first learn about Thrivent?**

I was 8 years old when I got my first life insurance contract. I still have that contract and have since added other products, including securities investments and an annuity.

#### **What's your first memory of money?**

Both of my parents lost their jobs when I was in fifth grade. We went on welfare, lost our house and had to rebuild. I remember being without, but I still had a fun childhood. My parents split up eventually, and mom got us off all the programs. That experience is my driver today, which is why I have more money for later than for now.

#### **What are your guiding principles around money decisions?**

I'm always saving for later. Do I really need something now? I talk myself out of a lot of things.

#### **What's the best piece of financial advice you've ever received?**

Always take the match from your corporate 401(k). It's free money.

Plan for the long-term and don't worry about the dips in the middle.

#### **What's your favorite volunteer activity?**

I love to volunteer with a group called Culpeper Renaissance Inc. It's big in the community and helping Culpeper grow. I have donated marketing hours to packages for people to win, and also will donate half off the rate when designing a website.

#### **What does it mean to you to thrive with purpose?**

Any person can be successful in terms of money or status or followers or material things, but to be successful or thrive with purpose means you are giving back to the world around you: community, friends, family, charities, volunteering, consulting, passing on a compliment. Success with purpose means you have added to the human collective, which means you have added to yourself as well. I consider my level of success as a human by how many lives I have touched and helped and served.

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“Success with purpose means you have added to the human collective, which means you have added to yourself as well.”

—Gwendolyn Steele

#### **Generosity in action**



#### **Build nets 462 water filters**

Southeast Region

Last fall, Thrivent clients in the Southeast Thrivent Member Network built water filters in a regional initiative to provide people in 15 countries access to clean water.

Serving Florida, Georgia, North Carolina and South Carolina, the Southeast Thrivent Member Network sponsored the Virtual Filter Build with the nonprofit Wine To Water.

Clients applied for a special Thrivent Action Team, and kits included three unassembled water filters, says Keri Taylor, Thrivent engagement specialist in the Southeast Region. Clients viewed a recorded video or participated online during a live educational event the last Tuesday of September, October or November.

“We wanted to educate them about the impact the water filters have,” Taylor says. “They then assembled the filters and shipped them to Wine To Water.”

In all, 154 Thrivent Action Teams built 462 filters. The event concluded on Giving Tuesday, when online donations to Wine To Water totaled more than \$40,500. The Thrivent Member Network matched with \$20,000.

## How does the FAFSA work?

By Taylor Hugo

The Free Application for Federal Student Aid, or FAFSA, is the form prospective college students must complete each year if they want to be eligible to receive federal financial aid. Filling out a FAFSA allows students to tap into the \$120 billion the federal government offers to help pay for college each year, according to the U.S. Department of Education. States and colleges also use FAFSA information to determine who qualifies for state and institutional aid, including scholarships, grants and other dollars that do not need to be paid back.

### Who should fill out the FAFSA—and when?

"Everyone should do a FAFSA, regardless of what you make," says Greg Carlo, a financial planning consultant in Thrivent's corporate

office. "You may not need to borrow or you may not qualify for grants, but if you want to get any student loans—like low-interest federal student loans—you need to have a FAFSA filled out."

For high school students, the earliest they can complete the FAFSA form is Oct. 1 of their senior year. It must be submitted every year a student wants to be considered for financial aid.

### What information does the FAFSA collect?

The information requested on the FAFSA boils down to income and assets, says Carlo, so in addition to a Social Security Number or Alien Registration Number, gather federal income tax returns, W-2s and other records of money earned, such as investments and untaxed income—for

both the student and their parents, if they're a dependent. It also asks which colleges the student would like to receive the FAFSA information.

### What happens after the FAFSA is submitted?

"The colleges a student lists on their FAFSA form receive their information, and then the financial aid office develops an award letter," says Kimberly Helm, a Thrivent marketing strategist and former college bursar. This award letter typically lists the estimated cost of attendance for that college and a student's Expected Family Contribution, plus any grants, scholarships, loans and work-study they qualify for. The student will then need to accept the award and, if applicable, apply for an available work-study job to receive the funding.

### Learn more

Visit [thrivent.com/insights/college-planning](https://thrivent.com/insights/college-planning) for more information on prioritizing and planning for college costs.



## Pre-order your 2023 calendar by Aug. 31

If you haven't already pre-ordered your 2023 Thrivent Calendar, now's the time to do so.

Enjoy beautiful photos and words of inspiration from our membership about the "simple joys" that can transform our days. They share beautiful scenes and experiences that reflect the gifts they've been given and that have a value that is priceless.

Order this unique wall calendar today by visiting [thrivent.com/calendar](https://thrivent.com/calendar) or by returning the reply card you may find in this magazine. Each client with membership can order one calendar at no cost; additional copies will be available to purchase at a later time. All orders must be received by Aug. 31, 2022, and calendars will be mailed by early October.



## Bright ideas

# Preserve your summer memories

### Ideas to capture and cherish your summer fun

By Sofia Haan

#### Take tons of pictures

No matter where you are, capture your favorite memories of summer with the camera on your phone. Create digital albums full of photos of your days soaking up the sun. Be sure to back up your digital photos.

#### Make memory jars

Write down the memories of your feelings, conversations and experiences from important events with your loved ones and collect them in a decorative jar. This gift can be a lasting reminder of notable events.

#### Create shadow boxes

Gather objects, such as pictures, invitations, fabrics and memorabilia, that represent a special moment or event and turn them into a meaningful piece of art. Hang the shadow box on a wall or display it on a desk.

#### Organize pictures into scrapbooks

Whether the photos are new or old, organize them into scrapbooks—either in actual books or digitally. It's a fun and creative activity to do with loved ones, and they can be given as gifts throughout the year.

## Generosity in action



### Empty Bowls dinner

Fraser, Michigan

Jeffrey Davis and his ceramics class at Lutheran High Northwest raised \$1,833 when they created bowls and hosted an Empty Bowls dinner at St. John Lutheran Church. The money supported the church's MCREST program, which helps people experiencing homelessness. The Thrivent Action Team provided the food. Those participating could then purchase the unique bowls.



### Focus on Socktober

Lakehills, Texas

More than 750 pairs of socks were given to students at Hill Country Elementary School by members of Lakehills United Methodist Church in October, also known as Socktober. Walter Roach created a Thrivent Action Team to help collect the socks. A local discount store donated 425 string backpacks for the socks.

# Thrive

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## Connecting art and faith

By Joanna Reiling Lindell

Guided by lush, verdant foliage and shimmering light, we are drawn into the center of a grove of palm trees. This image by artist Charles-Marie Dulac likely references the refreshing oasis of sacred date palm trees provided to Moses and Israel during their grueling travel from the Red Sea through the Desert of Shur (Exodus 15:27). We can imagine the rejuvenation that this oasis would have offered during their journey. The majestic date palm is a highly symbolic tree in the Western religious tradition. Its towering height and ability to offer sustenance and shelter are referenced many times in scripture. Psalm 92:12a praises: "The righteous flourish like the palm tree." The palm tree is associated with victory (Revelation 7:9), and palm fronds have long been symbolic of Christ's victory. These references remind us of the awe-inspiring wonder of God's creation, which we can experience directly in nature.

Dulac was a symbolist artist working in France who lived a tragically short life but left a remarkable legacy in his splendid lithographs, which express an idealization of God's divine landscape. Symbolist artists sought to create art that reflected emotion or ideas, metaphorically, rather than trying to represent the world objectively or even accurately. Dulac's perfectly balanced, symmetrical oasis in this image is not meant to suggest that nature truly looks this way, but that it is an expression of God's perfect creation.

Dulac began his career as a



decorative artist, creating theatrical scene painting. Around 1890, he developed lead poisoning as a result of working with lead-white pigment. This illness would end his life at the young age of 33. Upon discovering his illness, Dulac experienced a profound spiritual and religious conversion and joined the Third Order of Saint Francis. Saint Francis of Assisi's close communion with nature was deeply inspirational to Dulac.

Beautifully evident in this lithograph, Dulac expresses a poetic connection between the transcendent nature of God and the material reality of

creation. The knowledge of the artist making this image with awareness of his impending death, fortified by his fervent faith, adds a rare power to the image. To view an artwork that is known to be a pure statement of faith is a singular experience.

Charles-Marie Dulac (French, 1865-1898)  
*La Divine Palmeraie (The Divine Palm Grove)*  
Lithograph, c. 1896-98

Thrivent Collection of Religious Art.

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**Joanna Reiling Lindell** is the director and curator of the Thrivent Art Collection ([thriventcollection.com](http://thriventcollection.com)).

### Reflecting

What experiences in nature have left you feeling particularly connected to God?

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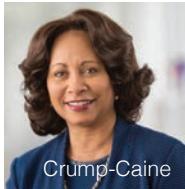
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## Two Thrivent board members recognized by *Savoy Magazine*



Boggs



Crump-Caine

Thrivent Board of Directors members N. Cornell Boggs, III and Lynn Crump-Caine have been named to *Savoy Magazine's* list of Most Influential Black Corporate Directors. The list recognizes more than 700 African American men and women for their executive and business leadership in national and global-leading corporations. Boggs has served on the Thrivent Board of Directors since 2013, while Crump-Caine joined the board in 2016.

A seasoned general counsel and prominent strategic advisor, Boggs is the vice chair of Thrivent's Board of Directors, chair of the Governance committee, and a member of the Human Resource, Strategy and Executive committees. He is a senior strategic advisor and of counsel for law firm Quarles & Brady LLP.

Crump-Caine has decades of leadership experience and serves on the Governance, Human Resource and Strategy committees of the Thrivent board. She spent 30 years at McDonald's Corporation, where she became executive vice president. Additionally, she founded OutsideIn Consulting firm and is currently an executive mentor with Exco Leadership Group.

### Good Question

## What's a healthy money habit you've formed in your life?

Don't charge more than you can pay off in full on the next statement! Otherwise, you'll end up paying a lot of interest.

*Charlotte Trayer*

*Mountlake Terrace, Washington*

A healthy money habit I have formed is contributing to my 401(k) that my employers have matched. I have been able to build a good retirement.

*Keith Rigby*

*Kamiah, Idaho*



### Question for next issue: What's your vision of retirement?

Tell us in 50 words or fewer at [thrive.com/share](http://thrive.com/share) or email [thriventmagazine@thrive.com](mailto:thriventmagazine@thrive.com).

### Generosity in action



### Cold/flu kits to the rescue

Caldwell, Idaho

Steve and Sandy Jones saw a need at the Boise Rescue Mission, gathered their children and grandchildren, and took action to fill it. Their Thrivent Action Team collected pain medications, cough drops, lozenges, bandages, tissues and more and packaged them into 48 cold/flu kits. Each kit also contained a hand-written note of encouragement.



### Unity in community

Grand Forks, North Dakota

Kristen Wilde's Thrivent Action Team hosted an open house at Love in Action, a culturally diverse faith-based nonprofit offering education and outreach in their community. More than 60 people participated in random acts of kindness activities, including bubbles for children to share and flower seeds to plant. The cause card was used to purchase food, decorations, bubbles and seeds.

# Thrive

## Myth buster

### Myth: Funding my child's college education is more important than funding my retirement.

**Review all your options, seeking a solution that allows you to do both.**

By Donna Hein

Parents often find themselves managing competing financial needs. And the decision of how to save for their children's future education needs and their own retirement—at the same time—is one of the big struggles.

With rising inflation and consumer costs, it's much more difficult for students today to work enough to pay for school as they go. Parents, who may have had their own college debt or still be paying it off, may feel pressure to help their children, even at the expense of their own retirement strategy.

"I hear this debate a lot," says Matt Forsman, a Thrivent financial associate in Bloomington, Minnesota. "It's certainly common to value investing in your children, wanting to do what you can to support them, especially when it comes to reducing student loans."

As Forsman talks with clients, he finds that many believe there are only two choices: let their kids fend for themselves (borrow money for college) to preserve their own retirement or raid their own retirement fund (or put it on hold) to support

their children's education. The reality is, it's often easier to focus on the financial need in front of you. But as you get older, it's harder to make up for not saving enough for retirement.

"It's important to remember that you can borrow for college; you can't for retirement," Forsman says.

Forsman, who speaks from his own experience of graduating from a private college with debt that was three to four times the national average even with help from his parents, tries to help bring clarity to his clients' retirement picture. It's important to balance the competing things, he says, so you can make an informed decision based on what you truly can afford.

"Talk with your financial advisor about your values and dreams, both for you and your children," Forsman says. "Then work together to formulate a savings strategy that incorporates all you hope to accomplish. The risk of undoing your retirement strategy for your kids actually could be more harmful to them in the future if you end up having to depend on them."

Plus, there are a variety of academic, admissions and financial strategies to help save on college costs (see article on page 14). Those opportunities don't exist for retirement, he says.

When you fly, Forsman says, the airline attendant reminds you that if the oxygen masks are needed, it's important to put your own mask on before helping the person next to you.

"That's hard for parents to hear; it's a strong visual," he says. "Saving something for your children's education may be important to you, and you can do it, but making sure you're on a good path to retirement should be the priority."

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## On my mind

# Navigating market volatility

**Taking an active role and a long-term view of your investments.**

By Steve Lowe  
(Written May 24, 2022)

Inflation. Interest rates. Geopolitical conflict. An ongoing pandemic. The list goes on, but the fact remains: We're all experiencing disruption. The economy and markets are not immune to this. Over the past couple of years, the markets have been continually buffeted by a variety of turbulent and erratic forces. And market volatility isn't limited to down market days. It also includes times of steep market gains when something like a positive economic report sparks a rally.

So how can one navigate market fluctuations? Taking an active role and long-term view of your financial goals is a good place to start. If you know the purpose of your investments and understand your risk tolerance, you'll be better equipped to stay the course when the markets are fluctuating.

We follow this same active, long-term philosophy when it comes to managing client assets at Thrivent. Our team of more than 130 investment professionals have a constant eye on the markets and economy. Our portfolio managers actively track corporate earnings, the economy, trends and market forces to guide the selection of stocks and bonds to create well-diversified portfolios, adjusting allocations for current market conditions.

We can see how this plays out in our current environment. An active management approach could discern



Chief Investment Strategist Steve Lowe discusses the markets and economy with Models Portfolio Manager Jeff Branstad.

that rising inflation would require the Federal Reserve get serious about raising interest rates. The active manager could then take actions to position a portfolio to stocks less sensitive to higher rates and inflation and shorter duration fixed income, such as bonds or loans with floating rates.

Additionally, an active manager would likely recognize that the companies that benefitted from pandemic "stay-at-home" characteristics (like streaming services) might reverse as the economy opens up and people shift to spending on services and experiences outside the home.

Finally, an active manager can recognize when markets are becoming too narrow and concentrated and then can hedge against it. For example, the market bid up the large cap technology companies, they became a significant weighting in the market indexes. When that happens, it increases the risk of a significant reversal because when the market shifts, everyone rushes for the exits and that exacerbates the downward pressure on these companies. An active management approach takes all these factors into account and makes informed investment decisions.

Market volatility can be unsettling. Now is a perfect time to meet with

your financial professional to help you determine your investment risk tolerance and make any adjustments to your financial strategy to help you achieve financial clarity and reach your long-term goals in life.



**Steve Lowe** is vice president and chief investment strategist at Thrivent.

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While diversification can help reduce market risk, it does not eliminate it. Diversification does not assure a profit or protect against loss in a declining market.

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# Your guide to saving for college

Whether it's years away or right around the corner, it's never too early—or late—to start planning and saving for your child's higher education.

By Taylor Hugo / Photos by Marques Creative

Planning for college has been a team effort for Martine Amisial and her daughter Dominique.

**W**hen Martine Amisial started thinking about college for her three children—Dominique, 17, Matthew, 16, and Jeffrey, 13—she wanted their experience to differ from her own. The daughter of immigrants from Haiti, Amisial was a first-generation college student when she took out loans to enroll in Montclair State University in Montclair, New Jersey, a school her parents chose, to study biology and chemistry.

"My parents' outlook on college was not the same as mine is today," says Amisial, a clinical data manager for a global pharmaceutical company, who

now lives in Plainfield, New Jersey, with her husband Clark, a help desk analyst. "We want our children to have the best experience in college, and money not to be a barrier for the things they want to do."

While Amisial already had started saving for her children's undergraduate education, she realized she needed some extra support through the planning phases. She attended a presentation at her kids' Timothy Christian School, hosted by Thrivent financial associate William Leach. Since that first meeting two years ago, she and daughter Dominique have been working with Leach to prepare for college—from

narrowing down potential majors and writing scholarship essays to exploring funding options.

"The biggest worry I hear from parents is, 'I don't know if I can afford this,'" says Greg Carlo, a Thrivent internal financial planning consultant. "They see the dollar amounts out there and they immediately think college is too expensive, and that's not the case."

According to the 2021 edition of Sallie Mae's annual study of college students and parents, "How America

Pays for College," 85% of families used parent income and savings, the largest funding source, to pay for college. In total, parents covered nearly half—45%—of college costs, through college savings plans like 529s (37%) and parent borrowing (9%).<sup>1</sup>

Whether college is years away or right around the corner for your family, it's never too early or late to start planning and saving—you just need a game plan.

### Research college savings vehicles

As with any savings account, the earlier you start funding it, the more time it has to grow.

"The next best time to start saving, if you can't when your child is an infant, is now. Even if the time frame is super short, even if the kids are in high school, it's still better to do a little bit now than to just ignore it and not do anything at all," says Alison LeCloud, a Thrivent financial advisor in Ann Arbor, Michigan.

There are several savings vehicles

## 529 plan

Money grows tax-deferred and is distributed tax-free.

## Coverdell Education Savings Account

A tax-deferred trust to save for a minor's K-12 and college expenses.

## Permanent life insurance

Cash can be borrowed against a policy to pay for college expenses.

## Roth IRA

Funded with after-tax dollars. Contributions can be withdrawn at any time.

## Uniform Gifts/Transfers to Minors

Custodial accounts let parents hold financial assets for minors.



parents could consider to pay for college:

- **529 plan:** An educational savings plan where money grows tax-deferred and is distributed tax-free, as long as it's used for qualified education expenses, such as tuition, room and board, and books—otherwise most likely there's a penalty.
- **Roth IRA:** Traditionally a retirement savings account, Roth IRAs are funded with after-tax dollars, and the contributions can be withdrawn at any time for any reason. So if your student decides not to attend college, you can use the money for retirement without penalty.
- **Coverdell Education Savings Account:** A tax-deferred trust account to help parents save for their minor child's K–12 and college expenses. Currently, contributions are subject to a \$2,000-per-year limit and there are income restrictions to be able to contribute.
- **Permanent life insurance:** A permanent life insurance policy with the potential to grow cash value can be borrowed against to pay for college expenses. If you don't pay it back, the debt balance, including any unpaid interest, will be deducted from the death proceeds paid to beneficiaries.
- **Uniform Gifts/Transfers to Minors Act:** UGMAs and UTMAs are custodial accounts that allow parents to hold and protect financial assets for their child (the beneficiary) until they reach the age of majority in their state. There are no contribution limits (although they are considered gifts, subject to the annual gift exclusion) nor withdrawal penalties, but since these assets are technically owned by the minor, they can decrease federal financial aid eligibility.

**“The next best time to start saving, if you can’t when your child is an infant, is now.”**

—Alison LeCloux, Thrivent financial advisor

There is no hard-and-fast rule for how much parents should have saved by the time their child goes to college, but LeCloux recommends having “a goal in mind of how much they'd like to have saved by the end of this college savings journey. Then we can work backward from there to figure out, based on an assumed rate of return and how much is put away each month, how long it will take for them to reach that goal.”

#### **Have an honest conversation with your child**

After 18 years of parents paying for everything, some students are under the impression that mom and dad will take care of all college expenses, too. But that's not realistic for every family. By the time students reach high school, it's important to have shared with them what you've saved for their education. While the timing is up to the parents, it's important to give students enough time to plan.

“Money is sometimes a taboo issue,” says LeCloux. “Parents are hesitant to tell their kids how much money they make or how much they're willing to help pay for college, but that needs to be transparent, because it's a huge factor kids need to take into account as they're narrowing down that list of schools.”

Covering the cost of college shouldn't just fall on the parents, of course. This is also the time to discuss cost-cutting measures

students can control, such as applying for Reserve Officers Training Corps (ROTC) in exchange for 100% covered tuition, becoming a resident advisor on campus for free or discounted room and board, or graduating quicker by enrolling in summer classes or taking a College-Level Examination Program (CLEP) or the AP Program to earn college credit.

“This is likely the first time your child is impacting a six-figure decision in your family,” says Leach. “They often don't understand the gravity of the investment, so it's really important for the parent to engage the student and have that conversation: ‘I love you. I want what's best for you and your future. Mom and dad have done their best to provide a good lifestyle for you and help with your college education. Now there's a variety of things you can do.’”

#### **Consider cost, but don't discount other factors**

For years, Brandon and Danielle Johnson of Saline, Michigan, didn't believe they were going to need educational financing. As Brandon was a professor at a private Christian liberal arts college in New York, tuition was free for the children of faculty. But when he took his current role eight years ago, professor of music and director of choral activities for Eastern Michigan University, where that same benefit didn't exist, the

Johnsons had to rethink their college savings strategy.

Still, they never wanted Brandon's job or money to influence where Marit, 18, and twins Luke and Quin, 16, chose to go to school. "I'd rather they found the institution that fit them best and that they were most comfortable with," he says. "We just want them to have the same kind of great college experience we had."

That included private schools, often thought to be more expensive than their public counterparts. Brandon and Danielle, who is currently completing her education to become a certified chaplain in a hospital or nursing home setting, both graduated from private liberal arts school Concordia College in Moorhead, Minnesota, and Marit is a rising sophomore at the private Capital University in Ohio.

"We didn't just look for the lowest-priced university," says LeCloux, who worked closely with the Johnsons to set up college-savings vehicles like a 529 plan and Roth IRA. "Private schools work really hard to make sure that the sticker price gets chopped down for families who are eligible for aid to make it an affordable option."

Cost is important in the decision-making process, but families shouldn't let that be the only determinant. Job placement rates, the variety of programs offered and graduation rates are also important. There's no point in choosing the cheapest school if it takes seven years to graduate—or if the majority of students walk out with no degree in hand at all.

Also consider the fact that one-third of students change their major at least once, according to a study by higher education technology company Ellucian, which can extend the time it takes to get a degree, in turn costing more money.<sup>2</sup>

"Students don't have to know

exactly what their major and career is going to be, but what I do is help them identify a plan A, B and C based on their research and how they feel," says Leach. From there, they should only consider schools that offer multiple areas of interest to them so they have the freedom to pivot without potentially needing to transfer and losing credits.

### Don't leave money on the table

No matter how much money you've accumulated in your college savings account by the time your child leaves for school, it's a smart move to spread that money out over the course of their college career, supplementing each semester with any aid received by submitting the Free Application for Federal Student Aid (FAFSA).

"You may think, 'Oh, I'll use my cash first and financial aid later,' but you should not do that. Funds derived from completing the FAFSA get paid out per semester, and you may not have enough financial aid to cover the

cost of tuition later, so your cash can then supplement what you're offered," says Thrivent marketing strategist and former college bursar Kimberly Helm, noting that every student should submit the FAFSA, regardless of a parent's income. According to the Sallie Mae survey, only 68% of families completed the application for academic year 2020–2021, a steady decline over the past two years.

Most families who didn't apply said they didn't think they'd qualify for any aid—but that's a mistake. Even if a student isn't offered federal loans, schools use FAFSA data to award grants, scholarships and work-study.

Beyond what's offered in a student's award letter, they should "apply for scholarships like it's their part-time job," says Leach, who encourages the students he works with to apply for 30 to 35 scholarships every school year. That's how Amisial's daughter Dominique ended up with \$1.1 million in awarded money toward college.

## 7 ways to start planning

1. Start small—even if that means you can only deposit \$50 a month into a college savings account.
2. Evaluate your budget to see where you can cut back on spending.
3. Every time you get a raise or bonus, put that money directly into the college savings account.
4. Set up automatic withdrawals from your checking account so saving for college is put on autopilot.
5. Never sacrifice retirement savings to fund college. You can take out a loan for college, but you can't take out a loan for retirement.
6. When relatives ask for birthday and holiday gift ideas, ask for a contribution to the child's college savings account.
7. Remember, you don't have to empty the entire college savings account when your child is a freshman. Let the money continue to accumulate until graduation.

"In my opinion, a student is the reputation of the school, and a scholarship is a financial incentive. The school is investing in you, they believe in you, and they want to associate your future success with their institution," says Leach. "So that's a great neutralizer. I may not qualify for need-based aid, but if I do well academically, great colleges are going to pay me to attend, no matter how much income or assets my parents have."

### Take loans if needed

"Loans" shouldn't be a dirty word—look at them as an investment. The reality is, 64% of families in Sallie Mae's survey said student loans had always been a part of their college-funding plan, with students borrowing an average of \$8,775 in student loans, and parents borrowing an average of \$11,394 in 2020–2021.

The key is to avoid over-borrowing by shopping around for the best interest rates and only accepting the amount you need to cover necessary college costs. For example, federal loans are usually the cheapest, and subsidized loans do not charge interest while in school. One rule of thumb: Total borrowing should be less than the student expects to make their



first year out of college. Or, to look at it another way, loan payments should not be more than 10% of their usual income, and they should be able to pay it off in 10 years or fewer.

"Whatever choice you make, at least you're going in with eyes wide open versus not having a clue," says

Carlo. "Even if you need to borrow, you know that going into it, you know what the outcome is going to be, what your monthly payments are going to look like." ■

*Taylor Hugo is a freelance writer in Colorado.*

## How Thrivent can help

Contact your Thrivent financial advisor or visit [thrivent.com/insights/college-planning](https://thrivent.com/insights/college-planning) to learn more about planning for college. Thrivent has tools and resources to help you and your child explore their interests, choose a college and determine the best funding options for your family.

<sup>1</sup><https://www.salliemae.com/content/dam/slm/writtencontent/Research/HowAmericaPaysforCollege2021.pdf>

<sup>2</sup><https://www.ellucian.com/assets/en/2019-student-success-survey-results.pdf>

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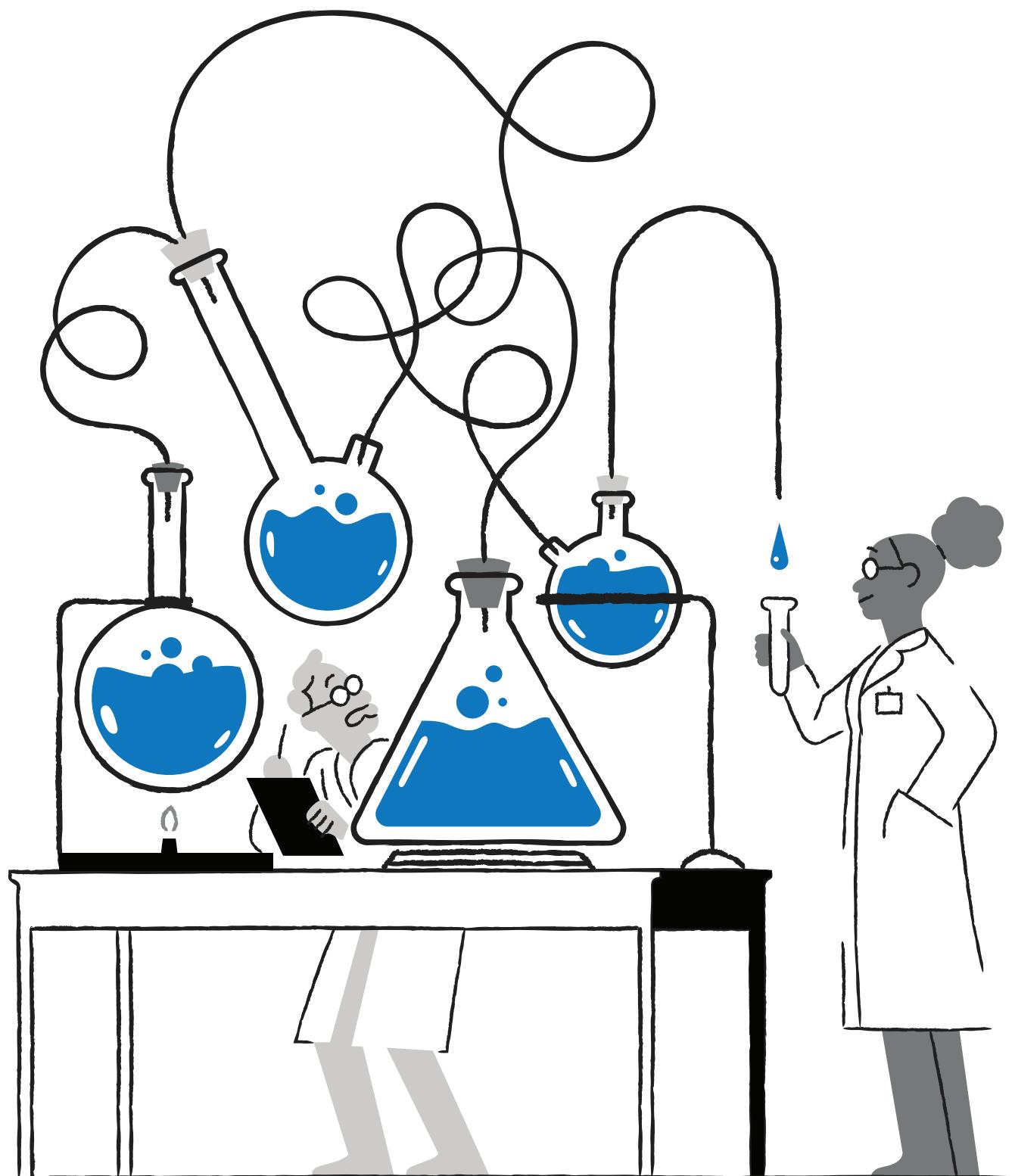
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# Finding the right formula

Create a strategy to help avoid running out of money in retirement

By Donna Hein / Illustrations by David Saracino

**P**eople preparing for retirement may be wondering if they've saved enough. Those nearing or in retirement may be wondering if it will last. Perhaps the question on everyone's mind, no matter where they are in the journey, is: "Will I outlive my savings?"

There's a lot going on that can impact your retirement savings. U.S. inflation rates recently accelerated to the highest in 40 years.<sup>1</sup> Markets continuously fluctuate in response

to economic activities. Health care costs continue to rise. There's uncertainty around the future of Social Security. And then there's life expectancy; you may live longer than you expect, but how do you know?

"The key to a successful retirement that can withstand economic challenges is to prepare early and review regularly," says Sarah Hamlen, Thrivent financial advisor in White Sulphur Springs, Montana. "Creating the right retirement plan

is a strategy and a science, and it's where professional advice is important. The 'water cooler' doesn't always have the right story, nor does it have the tools that we, as financial advisors, can use to project how any challenges can impact your plan."

While guarantees in life are few, here are four actionable steps you can take, with the guidance and expertise of your financial advisor, to help protect your money for when you need it most.

# “You have to be open to receiving advice on your plan. You’re not just planning for the first couple of years; it’s planning for the long-term. Retirement is a process, not an event.”

—Sarah Hamlen, Thrivent financial advisor

## Develop your goals

Whether your retirement date is nearing or you’re shifting gears in retirement, the first step always is to determine your goals.

“You need to focus on what you want your retirement to look like,” says Ben Carr, Thrivent financial advisor in Cedarburg, Wisconsin. “Retirement can mean a lot of different things to people; what do you want yours to include?”

Do you want to travel? Pick up a new hobby? Buy a cabin on a lake? Leave an inheritance? Articulating your needs, wants and wishes to your financial advisor can help make sure you create a retirement plan that is right for you, Carr says.

Write the goals in your head down on paper. It’s a step that can increase your chance of achieving them. While this doesn’t mean you can’t change them, it can help you create a more accurate retirement plan.

When Bob and Rosanne Schmidt of Brenham, Texas, met with Thrivent financial advisor Barney Loesch, also of Brenham, for the first time in 2019, this is where they started. Bob and Rosanne, both 67 now, were starting to consider their Social Security options, and they were seeking a financial advisor who could help them create

a strategy for the long-term based on their goals, says Bob. Rosanne retired in 2019 and Bob in 2020.

“I wanted to have a personal relationship with the person guiding us with our finances, in case something happened to Bob,” Rosanne says. “We had an instant connection with Barney.”

The Schmidts had purchased some land, so some of their goals revolve around work Bob wants to do with the land to create a place for their children and grandchildren to hang out. A tractor to help with the work was near the top of the list. A boat. The couple also wants to travel.

“We had started saving as soon as we had jobs, so we were ready to get some things that many of our friends already had,” says Bob. “We never did without what we needed; we were both just frugal. But we knew that with our goals, we were going to have some costs up front.”

## Run the numbers

Once you have a good picture of your retirement goals, your financial advisor can help you do the math and guide you in positioning your assets to help make them last. Begin refining your strategy at least three to five years before retirement, which will give you an opportunity to make changes if needed. This is also an

important step in retirement as your goals change.

“We’re really going to hone in on your budget and understand what you’re currently spending and what your future needs are,” Hamlen says. “We’re going to get as accurate as we can.”

You’ll talk through questions like: What do you need money for? How much will you need? When will you use it? You’ll want to keep in mind that most retirees have active years when they first retire, then slow down as they age. These are commonly referred to as the go-go, slow-go and no-go years. How much you’re spending and what you’re spending it on may change during these seasons of life.

“There are no prizes for turning in a budget that’s too low,” Hamlen says. “And if what you’re going to spend is off by 20% or even higher, that can have a catastrophic effect on your strategy.”

Hamlen, who serves the Schmidts with her business partner Loesch, reviewed the Schmidts’ portfolio with their goals in mind.

“Sarah did a lot of number crunching, looking at our investments, and started to fashion a plan with us on where to start taking money from first and what to hold on to,” Bob says.

## Create the right strategy for you

With budget in hand, it's time to create a realistic spending and saving plan for retirement that takes into account economic challenges like inflation, market fluctuations and taxes.

It starts with paying yourself first and managing your cash flow for your living expenses. You'll also want to start with a "rainy day fund," a place from which to pull those living and emergency expenses. This would be cash or a cash equivalent account, like a money market or savings account, says Tom Hussian,

advanced markets consultant at Thrivent. This allows your long-term investments to stay their course.

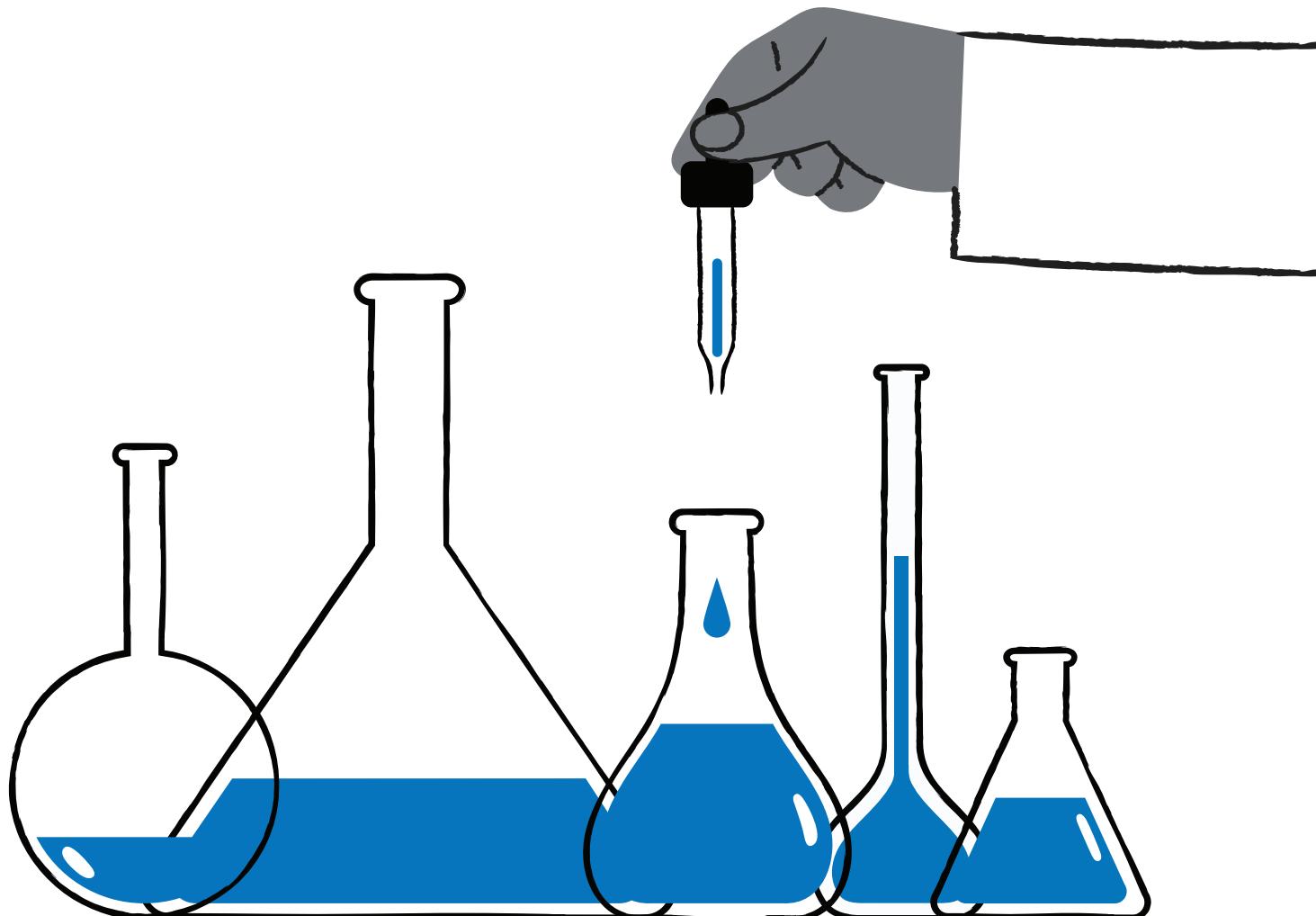
Social Security is one answer to the longevity question, Hussian says, because it's one of the only potential guaranteed incomes sources you can't outlive. You'll want to work with your financial advisor to determine the right claiming strategy for your financial situation.

Flexibility is key, Carr says, referring to not locking all your dollars into one strategy. "You need a retirement plan that has guaranteed income to meet those daily living

expenses, even if you live to 115," he says.

But you also need to have assets that continue to experience market growth because, again, you may live long beyond what you might expect. This is where you may look at options like annuity products that can provide income for your lifetime, Hussian says.

You can't just let your investments be buried in the basement, Hussian says. "You should take some risk to get returns that will allow them to offset the bite inflation, market fluctuations or taxes may take."



You also may want to consider permanent life insurance, which provides your spouse with protection if you would die prematurely, but also can be an asset with efficient tax consequences that you can tap into in the future.

Rosanne Schmidt started drawing Social Security at 67. Bob Schmidt is waiting until 70. They made the claiming decision after reviewing the numbers Hamlen shared with them.

"Based on Sarah's analysis, we have money to spend right now, so it made sense to wait and increase what we'll receive later," says Bob, especially if he would die before Rosanne.

They did buy the tractor, and Bob has put it to good use, especially since the pandemic slowed their travel plans. But they're hoping to start traveling soon. "It's in the budget; it's just a matter of when we can start using it," Rosanne says.

### **Reassess regularly**

Your retirement strategy is not a one and done deal. Whether pre-retired or already retired, it's essential to meet at least annually with your financial advisor. That's the general rule, but with inflation and market

fluctuations, it's even more important.

And if you're making financial decisions that aren't consistent with your retirement plan, you may need to talk with your financial advisor sooner as it may be time to change it or increase your risk of running out of money.

"You have to be open to receiving advice," Hamlen says. "You're not just planning for the first couple of years; it's planning for the long-term. Retirement is a process, not an event."

While inflation is a concern for the Schmidts, "we don't worry too much about it," Rosanne says. "We meet with Barney and Sarah twice a year to re-evaluate our plan and will make changes if we need to."

Bob says he appreciates the approach of his Thrivent financial advisors. "For years, before meeting Barney in 2019, we had investment advisors. Now we have financial advisors, people who look at your total financial picture to help you develop a plan. There's a difference." ■

*Donna Hein is editor of Thrivent Magazine.*

<sup>1</sup>Consumer Price Index—February 2022  
[www.bls.gov/news.release/cpi.nr0.htm](http://www.bls.gov/news.release/cpi.nr0.htm)

Five Ways to Help You Protect Your Identity [www.ftc.gov/news-events/audio-video/video/five-ways-help-protect-your-identity](http://www.ftc.gov/news-events/audio-video/video/five-ways-help-protect-your-identity)

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## **How Thrivent can help**

### **Thrivent financial advisors**

Thrivent financial advisors can help you create a financial strategy tailored to your needs, wants and wishes. With access to interactive and collaborative financial advice tools like MoneyGuidePro and Social Security Pro, they can help you understand your current financial situation and identify strategies and solutions that you can feel confident about, even during times of change.

Call your Thrivent financial advisor or find one at [thrivent.com](http://thrivent.com); click on "find a financial advisor."

### **Retirement income planning calculator**

This calculator provides an easy way to start planning for retirement. Simply enter key information, make adjustments and see results. Find it at [thrivent.com/insights/tools/retirement-income-planning-calculator](http://thrivent.com/insights/tools/retirement-income-planning-calculator).

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# Blending families & finances

Start these talks with your partner early to ease stress and get your new family off to a good start.

By Kathleen Childers

Photo by Marissa Simon

**C**reating a new family that includes children from previous relationships is a joyful act, to be sure, but it also can be a difficult one to navigate, especially when it comes to finances.

"It's definitely harder than just two people getting married," says Karly Hoerig, a Thrivent financial advisor from Victoria, Texas.

There is a lot to figure out when children are involved, and it can get tricky. How will you handle expenditures concerning

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Above: The Perez family continues to have money conversations that benefit their new blended family.

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stepchildren? Will you combine your finances or keep them separate? Do you need to update or establish legal documents?

One of the best ways to avoid conflict and stress is for you and your partner to talk openly and honestly about a variety of financial subjects, ideally before you join households.

"As soon as you start considering moving in together or getting married, have the conversations," says Hoerig, "Put everything on the table. It's never a good thing to hide anything from your partner."

To help make it easier, we've created a list of conversation topics. They're meant to be starting points to lay a foundation upon which you can build together. It doesn't matter if you address the topics all in one sitting or break them up. The important thing is to have them. They'll help you make decisions that reflect your priorities and avoid surprises. And if you're already in a blended family but are struggling with finances, these conversations still can be helpful.

### **Topic 1: Explore your attitudes and priorities around money**

Everyone has unique perspectives around money, and they often come from experiences growing up. Those differing views can make it harder for partners to get on the same page.

Kim Dwyer, a Thrivent financial advisor in Plymouth, Michigan, and a mother and stepmother in a blended family, suggests couples start by prioritizing what's important to them for their household. "For example, some people prefer to spend their money having experiences with their kids," she says, "while others prefer to provide things for their kids."

Besides how and what to provide

**"Once you have the right frame of mind, dealing with the financial challenges of blending families becomes more manageable."**

—Nick Perez, Thrivent client

for your children, other priorities to discuss include your views and priorities about debt, home ownership, paying for public or private schools and college, and giving of your time and money.

#### **When money views don't align.**

Couples often discover that their views don't align. Nick and Lori Perez, Thrivent clients of Hoerig from Schertz, Texas, recently married and created a blended family. Lori, who's a pharmacist, is a stepmother to Nick's two children.

"How Lori and I were raised regarding money was a challenge for us," says Nick, director of operations for a pharmacy technology company. Nick grew up in an environment where there was not a focus on saving money.

Lori had the opposite experience. "I was raised in a family that believed in no debts," she says. "We lived conservatively, and that's how I've lived my life."

Their different approaches to money brought about some tough conversations early on. Nick had already started to see the pitfalls of not saving money, he says, "So I appreciated Lori's approach."

#### **Set a good example for your kids.**

While having a unified philosophy around money helps your household run more smoothly, it also sets a good example for your kids. But what

if the other parent's household has a different outlook? That can create a challenge for your kids.

Todd Yeiter, director of advisor support at Thrivent, grew up in a blended family and spent time at both parents' homes. "My mom and stepfather had drastically different opinions about money than my dad and stepmom. It was really difficult as a child. One set of parents was 'live for the moment, keep up with the Joneses.' The other set was 'live well within your means, build a cushion, and be as self-reliant as possible.'"

You might not align with your former spouse's approach to money, but everyone in your household will do better if you and your partner are aligned. And the differences between the homes can present teachable moments to help your kids understand and accept them.

As a child, Yeiter sometimes felt resentful of the financial restrictions of his mother's and stepfather's household. But as he got older, he was very appreciative to have learned their approach to money.

"I remember my stepfather talking about why he chose a different path about money than my father," says Yeiter. "But he explained that one approach wasn't necessarily better than the other. It just was his philosophy, and it was important to him to have cash reserves and savings."

## **Topic 2: Make a household budget**

Creating a budget helps every household be intentional about how to pay for expenses now and in the future, build savings, and plan for giving. In a blended family, a budget also takes into consideration how the parent and stepparent will support their children and stepchildren, such as who will pay for items like child support, education, clothing and activities, as well as any support that may need to be provided to ex-spouses.

### **Separate finances or combined?**

For some families, keeping their finances somewhat separate works

best for them. They might have a shared account for paying rent or the mortgage but separate accounts for individual obligations or savings. Or they might choose to have each parent pay for their own kids' needs.

For the Perezes, combining their finances made the most sense. "We think of ourselves as a team," says Lori. "Together we're one check and one household, and that includes how we pay for things for the kids. But we still had to decide whose checking account we'd use and if we would pay bills using a credit card or directly to a biller's account."

### **Deal with debt.**

Setting a household budget also includes discussing debt. The conversation should start out with open and honest discussions about how much debt each of you may have. What makes it trickier for a blended family is that the debt could be tied to past relationships. Therefore, it's especially important for each person to be honest about what debt they're bringing into the relationship.

"Know what your partner's debt is and make a plan for dealing with it," says Dwyer. "As a couple, you have to decide: Will you pay it off together or keep separate bank accounts until it's paid off by the person responsible for the debt? Figure out what works for you." She recommends looking at different strategies and assessing the pros and cons of each.

Your discussion about debt also should cover how you'll handle any new debt you take on. For big expenses like furniture, a new car or a home improvement project, the Perezes set a spending limit and then include saving for it in their budget.

### **Review credit scores.**

While you're on the topic of debt, take a look at each of your credit scores.

"Credit ratings came up in our discussions when we were dating," says Lori Perez. "It was very important to me. Mine was strong, but Nick's wasn't."

If one person's score is better than the other, Hoerig recommends working to bring it up. "It will help both people in the long run when you want to make purchases together, like buy a house."

"It can be embarrassing to discuss," says Nick. "My credit score was impacted by my divorce. But



you have to talk about it. It is what it is. I basically brought up my score over time by paying off debts and reducing the debt-to-income ratio."

### **Topic 3: Look at legal documents**

In the excitement and anticipation of blending families, it's easy to think you'll take care of legal documents when things settle down. But you shouldn't put it off. This is a change in your life circumstances, which means documents including wills, life insurance, power of attorney and health care directives need to be updated or established.

"It's important to make sure everyone knows each other's wishes," says Hoerig. "In addition to revising wills and other legal documents to make sure the family as a whole has what it needs, you might want to create a prenuptial agreement. Some couples use them to make sure any assets brought into a marriage go to their respective kids."

The age of the kids can affect how you handle designating beneficiaries. "Our kids were really young when we blended," says Dwyer. "So we split our life insurance policies equally between our four kids. But it can be different when you have teens coming into a blended family. The new parent and teenagers may have a different relationship than if the kids were young. For some people, it might make sense to just have your own children as beneficiaries."

Another tool that can be helpful? A trust. "It can ensure distribution of wealth is done in a way that reflects your values and wishes," says Yeiter.

"A trust spells out exactly the wishes of the person who passes away," he says. "For example, some people worry that if you leave a whole lot of money to kids, they won't know how to handle it. A trust can describe

## **How Thrivent can help**

Whether you need assistance starting the conversations about blending families and finances, understanding your options, or creating a spending and saving strategy, your Thrivent financial advisor can help. They have tools that can help you simplify the budget creation and spending assessment processes. Get contact information for a Thrivent financial advisor at [thrivent.com](https://thrivent.com); click on "find a financial advisor."

how assets should be distributed to them over time."

The Perezes created a revocable trust. "It lays out in detail what happens at different ages of the children, in case we both die."

### **Topic 4: Make legacy planning part of the discussion**

It probably won't be top of mind at the moment you join together your families, but don't skip this.

"It's one of those discussions that centers around your long-term goals," says Hoerig.

Look at your current retirement savings and assets and talk about what goals you want to set—for your own retirement and for any legacy you want to create for your kids and the causes you care about. And discuss how you'll work toward those goals.

If you have assets you hope to pass on to your children, make sure your wishes are communicated clearly in legal documents and to your kids when they're old enough.

"This is critical," says Yeiter. "For example, if a father dies, what's the expected inheritance for his kids or stepkids? Make sure your wishes are well communicated and the tools are in place to make it fair. And remember that fair doesn't always mean equal. Try to think through any potential conflict among your heirs before it occurs."

Dwyer agrees. "There has to be a conversation and everything spelled out clearly."

For all of these topics, remember to keep an open mind.

"Be adaptable, throw out expectations and have open communication," says Nick Perez. "Once you have the right frame of mind, dealing with the financial challenges of blending families becomes more manageable."

And be patient.

"Don't force the conversations," says Hoerig. "Be gentle with each other. And even if you're not comfortable sharing everything right now, at least talk about budgets. The earlier you start these discussions, the easier they will go." ■

*Kathleen Childers is a writer in Minnesota.*

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# What's happening at Thrivent



## Thrivent recognized as one of the World's Most Ethical Companies for 11<sup>th</sup> year

Thrivent is continuing to distinguish itself among industry peers as a leader in advancing ethical business practices. We're proud to share that our organization was recently named as one of the 2022 World's Most Ethical Companies. Thrivent was one

of only six honorees recognized in the financial services industry.

This distinction is given by Ethisphere, a global leader in defining the standards of ethical business practices. The list highlights companies that have demonstrated exceptional programs and practices that advance business ethics.

Over the years, this recognition has become a source of pride for Thrivent and has strengthened our trusted reputation.

"We're thrilled to be recognized as one of the World's Most Ethical Companies for the 11th consecutive year," says Terry Rasmussen, president and CEO of Thrivent. "At Thrivent, one of our core values is we do what's right. Earning this

recognition demonstrates this core value is reflected every day in our business practices and the ways we serve our clients.

"I'm deeply honored to be a part of an organization that sets a high standard when it comes to leading with ethics and integrity. Moving forward, we'll remain committed to excellence as we serve more clients, helping them achieve financial clarity, enabling lives full of meaning and gratitude."

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# What's happening at Thrivent

## Thrivent Mid Cap Stock Fund recognized with two awards



### REFINITIV LIPPER FUND AWARDS

**2022 WINNER  
UNITED STATES**

Thrivent has been honored as a Refinitiv Lipper Fund Awards US 2022 Winner for its Mid Cap Stock Fund—Class S (TMSIX). The fund was named best Mid-Cap Core Fund over the five- and 10-year performance periods. Thrivent Asset Management, LLC is the investment adviser to the fund.

Thrivent Mid Cap Stock Fund was recognized for its consistently strong risk-adjusted performance in the five- and 10-year performance periods, which ended Nov. 30, 2021. Refinitiv evaluated the Fund against 234 funds in the five-year performance period and 150 funds in the 10-year performance period in the US Mid-Cap Core Funds category.

"Thrivent Mid Cap Stock Fund has a history of strong performance, and we're proud to again be honored by Refinitiv Lipper," says David Royal, executive vice president and chief investment officer at Thrivent. "Our talented investment professionals follow a disciplined investment process in order to deliver investment solutions that help our clients achieve financial clarity and live purposeful and meaningful lives. This award is a wonderful recognition of our commitment to excellence."

According to Brian Flanagan, portfolio manager of Thrivent Mid Cap Stock Fund, "It takes an incredible team of investment professionals to create performance that leads to

distinguished awards like Refinitiv Lipper. Our investment process at Thrivent is grounded in bottom-up stock selection, research, portfolio construction and risk management, and I'm grateful to work with talented colleagues who bring their best ideas and recommendations to the table."

With these two awards, Thrivent Mid Cap Stock Fund has earned a total of 11 Lipper Fund Awards since 2017. Thrivent's asset management team has received a total of 29 Lipper Fund Awards since 2008.

Thrivent's asset management team consists of more than 125 investment professionals. Funds are offered online at [thriventfunds.com](http://thriventfunds.com), as well as through Thrivent's financial advisors and other investment professionals around the country.

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The Refinitiv Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The Refinitiv Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the Refinitiv

Lipper Fund Award. For more information, see [lipperfundawards.com](http://lipperfundawards.com). Although Refinitiv Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Refinitiv Lipper. Refinitiv Lipper Fund Awards, ©2022 Refinitiv. All rights reserved. Used under license.

**Past performance is not necessarily indicative of future results.**

**Investing involves risks, including the possible loss of principal. The prospectus and summary prospectus contain more complete information on the investment objectives, risks, charges and expenses of the fund, and other information, which investors should read and consider carefully before investing. Prospectuses and summary prospectuses are available at [thriventfunds.com](http://thriventfunds.com) or by calling 800-847-4836.**

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## Local Thivent Member Networks offer workshops

Local Thivent Member Networks are a community of Thivent clients with membership committed to helping one another make local impacts and reach financial goals.

Financial education workshops are offered both in-person and through online webinars, with topics ranging from tax strategies to college planning and economic updates.

One participant commented: "These are great events to help people on financial items to be aware of."



I attended one for Social Security planning for women, despite being a male husband, because I wanted to make sure my wife and I will be able to understand and plan optimally for her future when I am gone."

Learn more about events hosted by your local Thivent Member Network at [thivent.com/tmn](http://thivent.com/tmn). Simply scroll down on the page and enter your ZIP code to be directed to your community.

## Download the Thivent Mobile App

Accessing your Thivent account is now easier than ever with the Thivent Mobile App for iOS (iPhone 8 or newer) and Android smartphone users.

The app is a convenient, personalized and secure way to manage your money with purpose. Simply download the app on the Apple App Store or Google Play for access to

24/7 account management, to monitor investments, and more.

To get started:

- If you're registered on [thivent.com](http://thivent.com), you can log into the app using the same user ID and password.
- If you don't have a user ID and password, create them using your Thivent ID.
- Each person who uses the app must have a unique mobile number and email address. This means if you and your spouse, child or another family member list the same email address or mobile number in your account information, you must update it before signing into the app (visit [thivent.com/updateinfo.com](http://thivent.com/updateinfo.com)).

Get more information on the app for iOS and Android at [thivent.com/mobile-app](http://thivent.com/mobile-app).



## Early success in National Volunteer Week activity

To celebrate National Volunteer Week April 17-23, volunteers across the country ordered 3,000 limited-edition Thivent Action Team kits with resources to run a local food drive in their communities.

With each kit ordered, \$5 was donated to fight hunger, the average cost of a food bank to provide three meals to a family of four. Organizations who signed up received a promotion link. When volunteers used the personal link, \$5 was donated to that organization. For kits not ordered through an organization's link, donations were made to Feeding America. To date, 36,000 meals and counting have been provided.

One participant shared: "The kit was easy and energized people to volunteer at our church. I especially loved the bags and pens."

A limited number of Live Generously grocery bags are still available for your next hunger project. Apply for a Thivent Action Team ([thivent.com/actionteam](http://thivent.com/actionteam)) to help families access nutritious foods in your community and enter promo code "HUNGER" to get 5 bags added to your kit, as long as supplies last.

# Just for fun

## Summer trivia

- 
1. How many gallons of ice cream do Americans consume on average each year?
    - a. 17 gallons
    - b. 23 gallons
    - c. 31 gallons
  2. What does SPF stand for?
    - a. Sun Prevention Focus
    - b. Skin Particle Favorability
    - c. Sun Protection Factor
  3. What classic horror movie takes place in the summertime in a beach town?
    - a. *Jaws*
    - b. *The Birds*
    - c. *Psycho*
  4. Where is the Nathan's Hot Dog Eating Contest held?
    - a. Coney Island, New York
    - b. Boston, Massachusetts
    - c. Los Angeles, California
  5. In the U.S., what is the best selling grilling meat throughout the summer?
    - a. Ground beef
    - b. Hot dogs
    - c. Pork chops
  6. When is the summer solstice?
    - a. June 18
    - b. August 29
    - c. June 21

## Word search

N C L P J S Z P S Z I B V E O  
D O X W U J O P W O C E A N U  
W K I M E P C S I Y E T F I T  
T A M T S M R S M Q D Q D H S  
O E T I A E G I S C T M O S I  
R Q C E W C N B U W E V Y N D  
T L U O R E A Q I D A P J U E  
E Q L N Q P W V T Q H Q V S H  
W F S J U D A S G O D T O H Z  
I N X O H U U R H A C I T P F  
V Y W S Z L T C K E U C I B T  
Y T I D I M U H I S G X H E U

- Swimsuit
- Summer
- Humidity
- Vacation
- Sunshine
- Flowers
- Ocean
- Waterpark
- Outside
- Popsicle
- Hot dogs
- Iced tea

## Solve the riddles

1. Why does a banana need to use sunscreen?
2. What do you call a dog on the beach in the summer?
3. What does the sun drink out of?
4. Where do sheep go on their summer vacation?
5. What did the ocean say to the lifeguard?
6. Which tree can fit in your hand?

**Solve the riddles:** 1. Because it peels, 2. A hot dog, 3. Sunglasses, 4. The Baa-hamas, 5. Nothing, it just waved, 6. A palm tree

**Summer Trivia:** 1. (b.) 23 gallons, 2. (c.) Sun Protection Factor, 3. (a.) Waves, 4. (a.) Coney Island, New York, 5. (b.) Hot dogs, 6. (c.) June 21

## Answers:

## Before you go

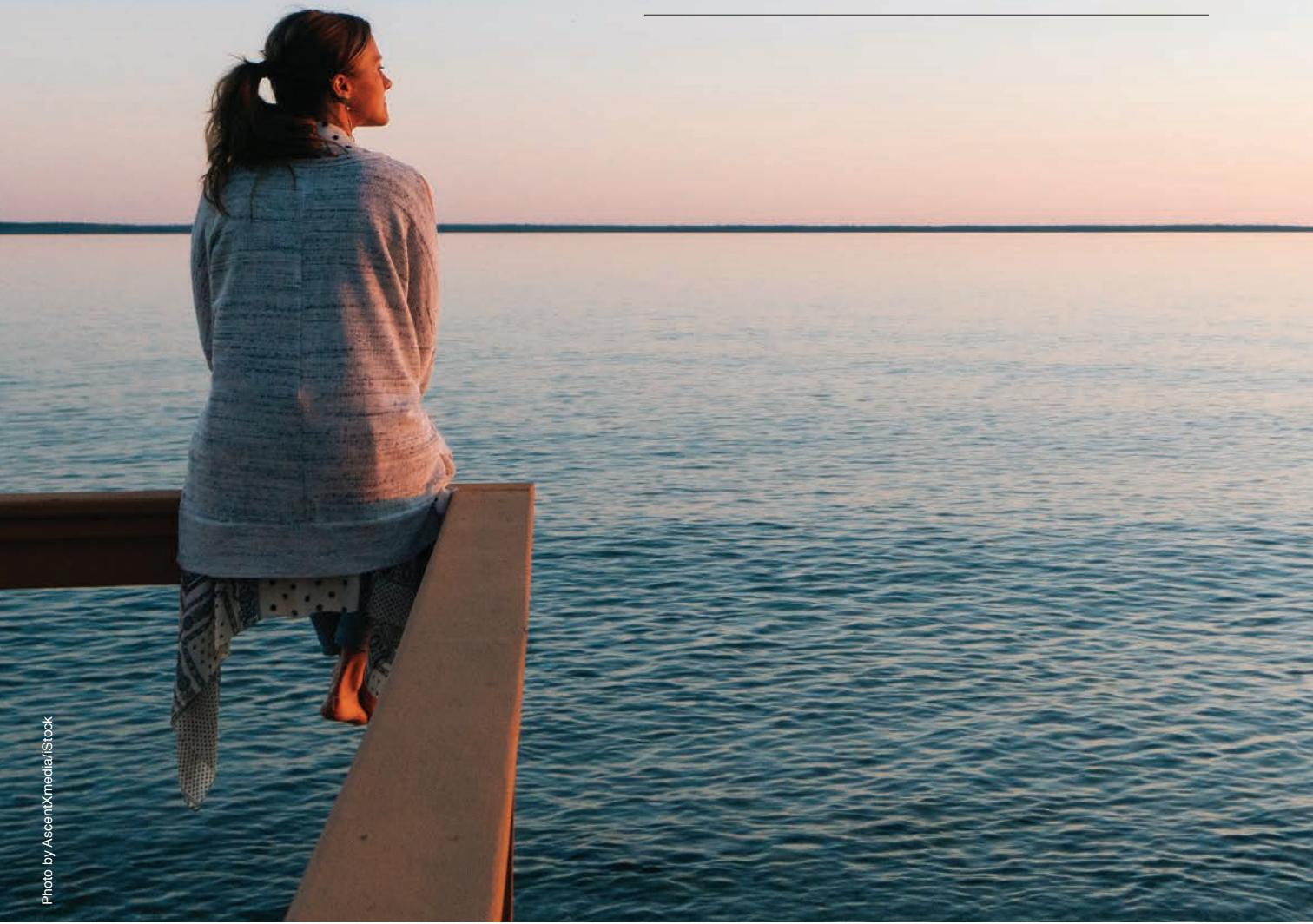
Summer is a great time to energize your soul in nature. Take a break from technology and go for a brisk walk or hike. Sitting quietly in a serene environment also can help bring clarity.

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# Thrivent Magazine

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# Here for your full financial journey.

With solutions and advice for all of life's moments, we're here to provide the personalized support you need to find financial clarity today.

**Contact a Thrivent financial advisor or visit [thrive.com](https://thrive.com) to learn more.**



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