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FINANCIAL GROUP

WEALTH MANAGEMENT & FINANCIAL PLANNING

EYE ON MONEY

SEP OCT 2017

READY, SET, RETIRE!

WHAT TO DO IN THE YEAR BEFORE YOU RETIRE

plus

11 THINGS YOU MAY NOT KNOW ABOUT DISABILITY INSURANCE

6 FINANCIAL THINGS TO REVIEW ANNUALLY

A COLLEGE TIMELINE FOR HIGH SCHOOL SENIORS

GENERAL OBLIGATION AND REVENUE BONDS

ELECTRIC VEHICLE TAX CREDIT

ESTATE

FOUR LEGAL DOCUMENTS EVERYONE SHOULD HAVE

1 **Last will and testament.** Your will directs how your assets are to be distributed after death and who will act as guardian for your children.

2 **Durable power of attorney for finances.** This document gives the person you choose the legal authority to manage all or part of your business and personal affairs if you become incapacitated and are unable to manage them yourself.

3 **Health care proxy.** A health care proxy, also known as a durable power of attorney for health care, is the document you use to name someone to make medical decisions on your behalf in the event you are unable to do so.

4 **Living will.** A living will is used to state your wishes regarding the types of medical treatment you would or would not want to receive in end-of-life or permanently unconscious situations. ■

Please consult your estate planning professional for advice.

inside

UP FRONT

FEATURES

FYI

6 Reasons to Use a Donor-Advised Fund for Your Charitable Giving

Whether you have five thousand dollars or five million dollars to donate, a donor-advised fund can be a simple, tax-efficient way to manage your charitable giving.

Donor-advised funds are sponsored by public charities, such as community foundations, universities, and the charitable arms of investment companies, and allow you to create an account specifically for your charitable giving.

You can recommend grants to IRS-qualified charities from the cash and other assets you irrevocably contribute to your account. The sponsoring organization has legal control of your account, but will generally follow your grant recommendations as long as they adhere to their guidelines.

Here are six reasons why you may want to use a donor-advised fund for your charitable giving.

1 You can make a tax-deductible contribution now and grants later. The cash and assets that you donate to a donor-advised fund are immediately eligible for a charitable tax deduction, even before you recommend a single grant to charity. This feature comes in handy if you want to make a charitable gift this year for tax purposes, but you are not ready to select grant recipients or you simply want to space out your grants over time.

2 Your contributions have the potential to grow. The contributions you make to your account are invested so that they have the potential to grow over time, perhaps increasing the amount available to support your favorite charities.

3 Investment growth is tax-free. The money earned on the investments in your account is tax-free, which also helps to maximize the amount available to support your charities.

4 Anonymity is an option. Some donor-advised funds give you the option to have your grants made anonymously, which can help shield you from future solicitations from the recipients of your grants. In contrast, if you donate directly to the charity, you may need to supply the charity with your name and address in order to receive a receipt for tax purposes.

5 Simplifies your charitable giving. The organization that sponsors the donor-advised fund typically handles the administrative tasks, such as tracking your contributions, investments, and grants; providing you with periodic financial statements; and disbursing grant money to your chosen charities. This administrative support leaves you free to focus on choosing grant recipients.

6 Donor-advised funds may accept assets that charities do not accept. Some donor-advised funds will accept donations of assets, such as privately held shares, LLC or limited partnership interests, real estate, mineral rights, art, and collectibles, that many charities are not equipped to handle. ■

Please note that investing involves risk, including the possible loss of principal.

PLEASE CONSULT YOUR FINANCIAL ADVISOR ABOUT HOW TO STRUCTURE YOUR CHARITABLE GIVING.

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Investing in Municipal Bonds: How General Obligation Bonds and Revenue Bonds Differ

You may know that municipal bonds are used by state and local governments and governmental entities to finance public projects and that the interest from most municipal bonds is exempt from federal income tax. But before investing, it is also important to know how the two main types of municipal bonds—general obligation bonds and revenue bonds—differ.

THE PRIMARY DIFFERENCE BETWEEN GENERAL OBLIGATION BONDS AND revenue bonds is what secures the bonds—the municipality's full faith and credit or a stream of revenue.

A general obligation bond is typically secured by the full faith and credit of the municipality issuing the bond. This backing means that the municipality is obligated to repay bondholders using all means possible—including taxing its residents. The power to increase taxes if necessary to repay bondholders results in a relatively low risk of default for this type of bond.

General obligation bonds are often used to finance projects that benefit the public but that do not generate income. For example, a school district may issue general obligation bonds to finance the construction of a new high school and use the property taxes received from its residents to pay its bondholders.

A revenue bond is secured by a stream of revenue, such as the tolls, fees, and lease payments generated by the project that the bond finances. For example, revenue bonds issued to build a new toll road may specify that money for the interest and principal payments will come from tolls. Some revenue bonds may be secured instead by the revenue from a specific tax, such as a sales or gasoline tax.

In addition to toll roads, revenue bonds are typically used to finance water and sewer systems, public transportation systems, public colleges, and other types of income-producing public projects.

Revenue bonds are not backed by the full faith and credit and taxing power of the issuer, and so they generally carry a greater risk of default than general obligation bonds do. They also tend to pay a higher rate of interest to help compensate investors for the added risk. ■

PLEASE NOTE: Bonds are subject to interest rate risk. When interest rates rise, bond prices usually fall. The effect is usually more pronounced for longer-term securities. Fixed-income securities also carry inflation risk and credit and default risks for both issuers and counterparties. You may have a gain or loss if you sell a bond before its maturity date. Some municipal bond income may be subject to state tax, local tax, and federal alternative minimum tax.

Please consult your financial advisor for help in developing and implementing an investment plan.

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How the Electric Vehicle Tax Credit Works

You may be able to claim a federal income tax credit worth up to $7,500 if you purchase a qualifying electric vehicle or plug-in hybrid vehicle. Hybrid vehicles that do not plug in do not qualify for this credit.

You are eligible to claim the credit if you:

- Purchase a new qualifying vehicle. Leased[1] and second-hand vehicles do not qualify.
- Will use the vehicle primarily in the U.S.
- Are not purchasing it for resale.

[1] If the vehicle is leased, the leasing company can claim the credit.

How to claim the tax credit.

- You claim the credit by filling out and filing IRS Form 8936 with your federal tax return for the year that you began driving the vehicle.
- If you acquired the vehicle for personal use, the credit is nonrefundable. This means that if the credit exceeds your tax, the excess part of the credit is lost. For example, if you purchase a vehicle that has a $7,500 credit and your federal income tax for the year is $6,000, the credit reduces your tax to zero and $1,500 of the credit is lost.
- The tax rules vary if you acquired the vehicle for business use.

Please consult your tax advisor.

THE CREDIT AMOUNT VARIES, DEPENDING ON THE VEHICLE'S BATTERY CAPACITY.

HERE ARE A FEW EXAMPLES:

2017 MODEL	CREDIT AMOUNT
BMW i3 Sedan	$7,500
Chevrolet Volt	$7,500
Fiat 500e	$7,500
Ford Focus EV	$7,500
Hyundai Sonata Plug-in Hybrid EV	$4,919
Kia Optima Plug-in Hybrid	$4,919
Mercedes-Benz B-Class EV	$7,500
Nissan Leaf	$7,500
Toyota Prius Prime Plug-in Hybrid	$4,502

The credit will phase out at a different time for each manufacturer, beginning when the manufacturer sells 200,000 qualifying vehicles for use in the United States.

As of mid-July 2017, no manufacturer had reached the 200,000-vehicle mark.

For the complete list, go to **www.fueleconomy.gov**

Ready, Set, Retire!
What to Do in the Year Before You Retire

You may need to make several financial decisions in the year leading up to retirement that will impact your financial security for the rest of your life. For example, how will you handle the savings in your 401(k)? And how will your pension benefits be paid out? The following tips can help, but please consult your financial advisor for specific advice.

Assess whether you can afford to retire on your target retirement date.
Start by estimating how much you may spend annually in retirement.

Next, add up the predictable income you expect to receive annually from sources, such as Social Security, pensions, and annuities. Add to that number the amount you can withdraw from your savings and investments each year without taking too great a risk that your savings will run dry prematurely. Is the resulting amount enough to cover your annual expenses?

Your financial advisor can help you run the numbers and assess whether you can afford to retire on your target date.

Decide how to handle your 401(k).
You will generally have three options when you retire regarding the savings you have in your employer's 401(k) plan.

- *Transfer your savings to an IRA.* An IRA can be a good choice if you want: (1) access to a potentially wider range of investments than your 401(k) plan offers, (2) a way to avoid having to take required minimum distributions from your Roth 401(k) savings beginning at age 70½, and (3) the convenience of consolidating all of your old 401(k) accounts and IRAs into one or two IRA accounts. As long as your money is transferred directly to the IRA, you avoid immediate taxation and your savings remain sheltered from taxes while they are in the IRA.
- *Leave your savings in the 401(k) plan.* This may be the way to go if you are happy with the plan's investment choices, fees, and distribution options or if you expect to retire between ages 55 and 59½ and want to make penalty-free withdrawals during those years. Plus, leaving your savings where they are avoids immediate taxation and allows your savings to remain sheltered from taxes while in the account.
- *Cash out the account.* If you choose this option, you will immediately owe income tax on the taxable portion of your withdrawal and possibly a 10% tax penalty if you are not yet age 59½.

Decide what to do with employer stock.
If you have appreciated employer stock in a qualified retirement plan, such as a 401(k) plan, think twice before you transfer it to an IRA.

If you transfer the stock to a tax-deferred IRA, you will not owe tax on it immediately, but the money you eventually withdraw from the IRA will be taxed at ordinary income tax rates.

You may save a significant amount in taxes by transferring the stock to a taxable investment account instead. When the stock is transferred, you will immediately owe ordinary income tax on the stock's cost basis, but the increase in the stock's value (known as its net unrealized appreciation, or NUA) will not be taxed until the stock is sold. And when it is sold, the NUA will be eligible for long-term capital gains tax rates, which are typically much lower than ordinary income tax rates.

Plan how to avoid penalties on early withdrawals.
If you plan to retire early, it is important to know that withdrawals from many types of retirement accounts before age 59½ are subject to a 10% tax penalty. Fortunately, there are exceptions to the penalty that may make it possible for you to withdraw money without penalty.

For example, one exception states that if you leave your job in or after the year you reach age 55 (age 50 if you are a qualified public safety employee), withdrawals that you make from that employer's 401(k) plan after you leave are penalty-free. Another exception lets you make penalty-free withdrawals from an IRA or workplace retirement plan before age 59½ as long as the withdrawals are part of series of substantially equal periodic payments.

Your tax and financial advisors can fill you in on the full range of exceptions if you will need access to the savings in your IRAs and workplace retirement plans before age 59½.

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HAVE A PENSION?

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If you have a traditional pension, find out when you should apply for benefits. It may take a few months for your application to be processed before benefits can begin.

HAVE YOU REVIEWED YOUR ASSET ALLOCATION?

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Review your asset mix as retirement approaches. Generally, investors shift to a more conservative mix of investments (fewer stocks) as they draw closer to the time when they will need their money.

Asset allocation does not ensure a profit or protect against loss in declining markets.

Decide how your pension benefits will be paid.

If you are eligible for a traditional pension from your employer, you will need to answer a very important question before you retire: How do you want your pension paid out? You will generally have two main choices—an annuity or a lump sum.

An annuity offers periodic income payments (usually monthly) that will last your lifetime. If you are married, the income payments can last for your spouse's lifetime also. This option provides you with a predictable stream of income and helps protect you from running out of money in retirement.

A lump-sum distribution may be attractive if you need access to a large amount of cash now or if you believe you can invest the cash and generate a larger stream of income on your own. If you choose a lump-sum distribution, consider having it transferred directly to a traditional IRA so that it remains sheltered from taxes while in the IRA.

The choice you make regarding your pension payout can have a lasting impact on your retirement security so please seek advice from your financial advisor.

Consider buying an annuity.

If you like the idea of a pension, but don't have one, consider buying an immediate annuity that pays you a reliable stream of income for life and helps protect you from running out of money in retirement.

An immediate annuity is a contract between you and an insurance company that guarantees you an income for life or a specified number of years in return for your upfront premium payment. The guarantee is based on the claims-paying ability of the issuing insurance company.

The premium is typically paid in one lump sum, usually at or near retirement, and the income payments to you begin soon after.

Plan how to handle your employee stock options.

If your employer granted you stock options, find out how retiring may impact your ability to exercise them. You may discover that you only have a limited time after you leave the company in which to exercise your options. Your financial advisor can help you decide when to exercise them, how to pay for the stock and any taxes on the purchase, and when to sell the stock.

Decide when to start Social Security.

You can generally begin receiving Social Security retirement benefits at any point from age 62 to 70. However, the earlier you start, the lower your monthly benefit amount. Delaying the start, up until age 70, can significantly increase your monthly benefit amount, as well as potentially increase your spouse's survivor benefit.

To find out how much a delay may increase your monthly benefit, visit the Social Security Administration's website at www.ssa.gov and click on Retirement Estimator. Or you can review your Social Security Statement online at www.ssa.gov/myaccount. Your statement lists your estimated monthly benefit if begun at age 62, full retirement age, or age 70.

Line up health insurance.

Your health insurance options in retirement depend in part on your age.

If you are age 65 or older, you may have already signed up for Medicare, the federal health insurance program for people age 65 or older. If you are in that age group and have not signed up yet, you have some decisions to make before you retire and lose health coverage based on your current employment. Will you enroll in Medicare Part A and Part B, perhaps supplementing them with a Medigap policy and prescription drug coverage, or will you choose a Medicare Advantage plan that combines Part A, Part B, and usually prescription drug coverage in one plan? It's a big decision, but do not put it off. If you wait too long to sign up for Medicare, you may get stuck paying a late enrollment penalty.

If you are under age 65, you will need a way to bridge the coverage gap between when you retire and when Medicare begins at age 65. Your options may include:

- Retiree health insurance from your employer.
- COBRA continuation coverage from your employer's health plan.
- Coverage from the group health plan where your spouse works.
- Individual coverage purchased from a health insurer or marketplace.

As you line up your health insurance for retirement, please keep in mind that long-term care services can be expensive and that they are only covered in limited situations by Medicare. This may be a good time to consider purchasing long-term care insurance to help with the cost of care you may need one day. ■

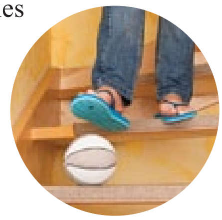
Please consult your financial advisor about the decisions you face as you transition into retirement.

11 Things You May Not Know About Disability Insurance

Disability insurance is designed to replace part of your income if you become too sick or injured to work. Its benefit payments can help you cover your living expenses and may help prevent a serious medical problem from turning into a financial disaster. Here are eleven things you may not know about this type of insurance.

1. The odds of becoming disabled may be higher than you realize.
A twenty-year-old worker today has more than a one-in-four chance of becoming disabled before retirement age, according to the Social Security Administration.

2. The injury or illness does not need to be related to your workplace.
Unlike workers' compensation, which only pays when injuries occur at work or illnesses are a result of your job, disability insurance expands your financial safety net to include non-work-related injuries or illnesses that prevent you from being able to work.



3.
Even young adults need disability insurance.

A serious illness or injury that prevents you from being able to work for an extended period of time can happen at any time and at any age. So unless you can afford to be out of work for what may turn out to be years or even decades, consider protecting your income with disability insurance.

Average monthly benefit from Social Security Disability Insurance:
$1,172

4. Social Security disability benefits are very low.
If you work and pay Social Security taxes, you and your dependents may be eligible for disability benefits from Social Security if you cannot work due to a severe medical condition. Be aware, though, that the eligibility requirements for Social Security's disability program are very strict and that the benefit payments are very low. How low? In May of 2017, the average monthly disability payment was $1,172—barely enough to stay above the poverty level.

5. There are two main types of disability insurance policies: short-term and long-term.
Short-term policies replace part of your income for a short period of time, such as three or six months. Long-term policies replace part of your income for up to a few years or until you reach retirement age, with benefits beginning after a waiting period of six months or so.

6. About a third of American workers in private industry have access to disability insurance through their employers.[1]
If you are one of them, great! Some employers pick up the full cost, and even if your employer does not, you may pay less for coverage in a group plan than you'd pay for an individual policy. However, group disability insurance by itself may not provide enough coverage.

7. If you earn a high salary, coverage from your employer may not be enough.
Group disability plans typically pay a percentage of base salary, but only up to a specified amount per month. For example, let's say that your employer's plan will replace 60% of your base salary, up to a maximum benefit of $5,000 per month, or $60,000 annually. That may be acceptable if your salary is $100,000 or less, but if your salary is greater, your monthly benefit may not come close to replacing 60% of your salary or covering your living expenses.

8. If you receive commissions or bonuses, coverage from your employer may not be enough.
Group disability plans usually look at only your base salary, not your commissions or bonuses, when figuring the benefit amount. So if a large part of your income is from incentive compensation, such as commissions or bonuses, your employer's group plan may not pay out enough for you to maintain your current standard of living.

9. Supplemental insurance can help bridge the gap.
If you earn a high salary or receive commissions or bonuses, consider purchasing supplemental individual disability insurance to help bridge the gap between what your employer's group plan will pay in benefits and what your expenses may be. Supplemental policies typically replace a larger portion of income and add in commissions and bonuses when figuring the benefit amount.

10. You also need health insurance.
Disability insurance does not pay your medical expenses or replace your need for health insurance. Disability insurance simply pays you a portion of your pre-disability salary, which can help you cover your living expenses while you are too sick or injured to work.

11. Self-employed? No coverage at work? You can purchase an individual policy.
If you do not have access to disability insurance through your employer, consider purchasing an individual disability insurance policy on your own. Buying an individual policy gives you the freedom to choose the one that best suits your needs and your budget. And individual policies are generally portable, meaning that your coverage goes with you when you change employers. ■

Please consult your financial advisor about disability insurance and whether it should be part of your financial safety net.

1. Source: Bureau of Labor Statistics, National Compensation Survey, March 2016

6 Financial Things to Review Annually

A lot can change in the course of a year that can impact you financially. Reviewing the following things at least once a year can help keep your finances on track. Please consult your financial advisor for specific advice.

BENEFICIARY DESIGNATIONS

The beneficiaries you named on your financial accounts and life insurance policies will receive the proceeds from those accounts and policies after your death regardless of instructions to the contrary in your will. To avoid having your assets distributed to a beneficiary you may have changed your mind about, review your beneficiary designations at least once a year. You may have several accounts and policies with named beneficiaries, so be sure to review all of your:

- Checking and savings accounts
- Investment accounts
- Retirement accounts and annuities
- Life insurance policies
- Medical and health savings accounts
- Real estate deeds
- Vehicle registrations

In addition to an annual review, it is a good idea to review your beneficiary designations when major changes occur in your life. A marriage, divorce, birth, or death may influence your choice of beneficiaries, and can be a good time to review and update them.

ESTATE PLANNING DOCUMENTS

To help your estate plan stay in sync with changes in your family, finances, and the law, it is a good idea to look over your estate planning documents (will, trusts, power of attorney, health care proxy, and living will) every year or so or when major changes occur in your life.

Are the people you named as your power of attorney and health care proxy still the people you want handling those important duties? Is there anything you'd like changed in your will or revocable living trust? Have you acquired any new assets that have not been added to your revocable living trust? Has a family member become disabled since the documents were created?

Your estate planning attorney can update your estate planning documents for you, as well as review them to see if changes are needed due to any changes in the tax laws.

CREDIT REPORTS

Inspect your credit reports at least once a year for signs of fraud, as well as errors. Both can result in you being denied credit and paying higher rates than necessary on your credit cards, mortgages, and loans. Plus, some employers and landlords use credit report data to screen applicants, so errors that negatively affect your credit report may also affect your ability to get a new job or rent an apartment.

You can request a free credit report from each of the three credit reporting agencies once every twelve months at www.AnnualCreditReport.com or by calling 1-877-322-8228.

SOCIAL SECURITY STATEMENT

During your working years, it is a good idea to check your Social Security Statement annually to make certain that your earnings from last year were recorded accurately. A mistake in your earnings record can result in you not receiving all of the Social Security benefits you are entitled to in retirement. To access your statement online, visit the Social Security website at www.ssa.gov/myaccount.

LIFE INSURANCE

As your life changes, so may your need for life insurance. Be sure to review your changing needs and objectives every year or so or when major changes occur in your life. Those changes include getting married, adding a new child to the family, buying a new home or refinancing an existing home, receiving a major increase in your salary, and starting your own business.

YOUR INVESTMENTS

Although you may be reviewing the performance of specific investments throughout the year, it is helpful to step back and look at the big investment picture at least once a year.

Are your investments on track to your financial goals or are adjustments needed? Should your portfolio be rebalanced, that is returned to your target allocation of stocks, bonds, and cash? Is your target allocation still appropriate for your goals or should it be adjusted? Should you sell investments held in a taxable account that have declined in value so that you have some capital losses to offset capital gains on this year's tax return?

Your financial advisor can help you answer these questions and more. ■

Please note that asset allocation does not ensure a profit or protect against loss in declining markets.

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When reviewing your estate planning documents, double-check that the people you have lined up to act as the guardians for your children, the executor for your estate, the successor trustee for your revocable living trust, and the proxy for your health care decisions are still willing and able to carry out their duties.

A College Timeline for High School Seniors

What to do when in the college application process.

SEPTEMBER

Sign up to take standardized tests, such as the SAT and ACT, if you have not already taken them or if you are not satisfied with your previous scores. Consider completing some practice tests or attending a few classes to prep for the tests before you take them.

Visit the schools you are interested in. With classes back in session, the fall can be a great time to visit the campuses of those colleges you are interested in. Many colleges offer campus tours and information sessions. Check the college's website to see when they are offered and whether registration is required.

OCTOBER 1 – FEBRUARY 15

Fill out and file the FAFSA. The information you supply on the Free Application for Federal Student Aid (FAFSA) is used to determine your eligibility for federal student aid (loans, grants, etc.), as well as college and state aid in some instances.

The FAFSA for the 2018–2019 school year can be completed at fafsa.gov beginning on October 1, 2017.

Complete the CSS / Financial Aid PROFILE if you plan to apply to schools or scholarship programs that use this application to award nonfederal financial aid. The application is available beginning on October 1 at collegeboard.org.

Check with your prospective colleges to find out their deadlines for submitting the FAFSA and PROFILE applications.

Write your essays and gather your letters of recommendation. If you need to submit an essay or letters of recommendation from your teachers and counselors with your college applications, there is no time like the present to get started.

Apply to your chosen colleges. Application deadlines vary among colleges so it is important to find out the due dates for the colleges where you plan to apply. Entering the dates in a calendar can help keep you on track and protect you from missing a deadline.

Apply for scholarships. The first step is to identify scholarships that you have a shot at winning.

Check with your high school guidance office for local scholarships, the websites of your prospective colleges for awards specific to the particular college, and online scholarship search tools for national scholarships. Also see if any organizations—professional, religious, community, athletic, etc.—that you or your family are affiliated with offer scholarships.

Once you have pinpointed the scholarship opportunities you want to pursue, find out their deadlines and requirements so that you can have everything—essays, recommendations, etc.—ready in time to be considered.

DECEMBER – EARLY APRIL

Watch for admission decisions. Colleges notify applicants whether they have been accepted at various times, but generally speaking…

If you have your heart set on one school in particular and applied for an early decision, keep an eye out for an admission decision in December. If you are accepted, remember that an early decision is binding and that you generally must attend this school and withdraw your other college applications.

If you applied for an early acceptance, which is not binding, you will likely receive the admission decision in January or February.

If you applied under the regular decision process, your admission decision will typically arrive between mid-March and early April.

GENERALLY BY MAY 1

Make your decision. Many colleges need to know by May 1 whether you will be accepting their offers of admission. Check with your colleges for the exact dates. ■

If there is a college-bound student in your family, please talk to your financial advisor about how to save and pay for college.

ONLINE RESOURCES

fafsa.gov

You can fill out the **Free Application for Federal Student Aid (FAFSA)** on this site.

act.org

You can send your **ACT test scores** to colleges from this site.

collegeboard.org

On this site, you can fill out the **CSS / Financial Aid PROFILE** and send your **SAT test scores** to your chosen colleges.

kahnacademy.org/sat

The College Board has partnered with Kahn Academy to provide **free online practice tests for the SAT** on this site.

commonapp.org

Nearly 700 colleges accept the **Common Application**, which you can find here. Fill in the details once, and send it to multiple colleges.

studentaid.ed.gov

This site from the U.S. Department of Education provides **information about financial aid and how to prepare for college.**

CITY OF SAILS | Auckland, New Zealand

BY BRIAN JOHNSTON

New Zealand's premier city has a great vibe and plenty of urban attractions, but few cities also offer such wild scenery right on their doorstep.

THE WIND WHIPS ACROSS THE GULF, making hair fly and cheeks glow. Great fluffy clouds scud in a brilliant blue sky. There's a tense pause on the yacht's deck as you turn and eye up the opposition on the starting line. Then, in sudden exhilaration, you're away in a frenzy of action. The yachts surge forward, spray hissing and sails cracking. Crew shout tactics and, although some participants have never sailed before, they haul on ropes and do their best not to confuse starboard with port.

New Zealand is renowned for its adrenaline sports; this nation offers all manner of ways in which to thrill and terrify yourself. Even in Auckland, you can climb the harbor bridge or throw yourself off Sky Tower attached to a wire. Still, the biggest rush in the city that has twice hosted the America's Cup might be taking a yacht onto Auckland's spectacular harbor for a windswept America's Cup yachting experience.

It's a thrilling opportunity, and certainly explodes the outdated myth that Auckland is a dull city. True, this smallish capital at world's end isn't London or New York. But this is New Zealand's largest, most cosmopolitan city, vibrant and multi-ethnic, with good shopping and dining and an increasingly lively nightlife. Best of all, if you focus on the magnificent setting you won't be disappointed. This is one of the world's most beautifully positioned cities.

Exploring its harbor-side location is easy. There's a reason Auckland is named the City of Sails: it claims more boats per capita than anywhere else on the planet, and dozens of companies offer visitor charters. Even for landlubbers, the waterfront setting is immediately accessible. One of the results of hosting the 2000 America's Cup was that Viaduct Basin received a thorough makeover. The harbor is now afloat with sleek white yachts and overlooked by some pricey restaurants. Nearby Princes Wharf has fine hotels and bistros busy on weekend evenings.

A view of the city of Auckland (left) from the nearby village of Devonport. Waiheke Island, with its lush vineyards (below) and wineries, is a short ferry ride from Auckland.

You're never far from water in Auckland. The city's most charming seaside suburb is Devonport on the north shore, a short ferry ride from the city center but a world away in atmosphere. Skyscrapers are replaced by quaint cottages from colonial days that line Queen's Parade, King Edward Parade, and main drag Victoria Road, which has cute (some would say kitschy) shops and galleries. Devonport Yacht Club is famous; America's Cup winner Sir Peter Blake learned to sail here. You can walk through residential streets to North Head for splendid views across Cheltenham Beach to downtown Auckland.

Another way to appreciate the city's setting is to take scenic waterfront route Tamaki Drive around the harbor foreshore's eastern bays as far as Saint Heliers, either on foot, by rented bicycle (there's a dedicated cycle lane), or by kayak, hugging the coastline along the way. Stop for a rest at Mission Bay, where huge fig trees shade a grassy area where locals kick balls and play Frisbee. Eateries line the white-sand beach, allowing you to refuel before heading onwards.

Up behind Mission Bay at Bastion Point there are sweeping views out towards the islands, which made this an important military outpost during the Second World War. Beyond Mission Bay is Kohimarama Beach on a quieter bay with a very good yacht club where many New Zealand sailing champions acquired their sailing skills. If you keep on going out of the city you'll eventually reach the Pohutukawa Coast, a scenic stretch of beaches backed by vineyards. Goat Island is known for its marine life, which you can see by taking a glass-bottom boat excursion or by snorkeling—though admittedly, the chilly ocean temperature isn't one of Auckland's chief pleasures.

Most of the 50-something islands that surround Auckland go overlooked by visitors. Some are undisturbed but for the wash of waves and calls of native birds. Their quiet and isolation makes them ideal for exploration by yacht if you're an experienced sailor and wish to charter your own vessel. If not, take a lovely 35-minute ferry ride to Waiheke Island,

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where you'll find cafés, arts-and-crafts stores, and vineyards. The island has a Bordeaux-like terroir that produces some very fine red wines—and olives. A dozen of the island's wineries have cellar doors that provide a good excuse for wine tasting before rolling back onto the ferry.

The outdoors is great, although Auckland's weather can sometimes be unpredictable. When it rains, though, you can turn to more urban attractions. Shoppers could concentrate on downtown Queen Street, though the stores here are rather mainstream. Its side streets offer a more interesting browse through New Zealand crafts, paintings, and homewares.

Then turn to inner-city and somewhat alternative Ponsonby Road, where aspiring local fashion and home-ware designers showcase their creations in boutiques. Aucklanders gossip and drink coffee in the informal, multi-ethnic eateries and pubs. Nearby Karangahape Road has eccentric art galleries and an edgy nightlife for those who like live-music venues and convivial—and occasionally raucous—bars.

The suburb of Parnell is more upmarket, with a good range of quality (and pricey) restaurants and shops. The charmingly renovated buildings along Parnell Road have a plethora of interesting gift stores selling jewelry, textiles, glass, and prints. Nuffield Street in adjacent Newmarket—which boasts a bemusing number of shoe stores—is a good place to hunt through New Zealand fashion brands.

While in Newmarket, take time to poke around Ewelme Cottage, now a museum, and step back into the life of its Victorian middle-class owner, the fantastically named Blanche Lush. Built of local kauri wood, the house has well-preserved nineteenth-century interiors and furnishings. You're also only a 10-minute walk from the Auckland War Memorial Museum in the vast green space known as the Domain, lush with native ferns and other plants. Despite the museum's name, it covers everything from native wildlife to Maori culture and the geology of volcanoes, and is a great family retreat if the rain starts to fall.

You could also wander among the vintage cars and flying boats of the Museum of Transport and Technology, or head to the Auckland Art Gallery for striking portraits of tattooed Maori warriors and grand New Zealand landscape paintings. Meanwhile, families will enjoy the sharks, seahorses, and stingrays at Sea Life Aquarium, where you'll also encounter penguins.

The aquarium, like so much else in Auckland, sits on the waterfront with views across to Devonport and back downtown. Out in the harbor sits the island bulk of Rangitoto, a volcano whose birth was witnessed by Maoris some six centuries ago. Auckland never lets you forget its dramatic, water-bound setting, always on view despite the city's many urban attractions. ■

FYI

Festivals This Fall

Albuquerque International Balloon Fiesta *October 7–15, 2017* **Albuquerque, NM**

The clear desert skies over Albuquerque are ablaze with color each October as a massive gathering of balloons (500!) lifts off from Albuquerque's Balloon Fiesta Park.

Austin City Limits Music Festival *October 6–8 and 13–15, 2017* **Austin, TX**

Zilker Park in Austin is the place to be for fans of rock, indie, soul, folk, and electronic music as about 140 bands take to the eight stages in the park for two weekends in October. This year's lineup includes Jay Z, Red Hot Chili Peppers, Chance the Rapper, Gorillaz, and more.

Kansas City Irish Fest *September 1–3, 2017* **Kansas City, MO**

Held at Crown Center, Irish Fest celebrates the Irish culture with three days of music, dance, and comedy performances, as well as great food, shopping, and tons of activities for children.

Library of Congress National Book Festival *September 2, 2017* **Washington, D.C.**

This celebration of books at the Washington Convention Center brings together best-selling authors and book fans for a day of presentations, panel discussions, book signings, and more. Authors participating in this year's event include Kwame Alexander, David Baldacci, Kate DiCamillo, Diana Gabaldon, Michael Lewis, Siddhartha Mukherjee, and dozens more.

Monterey Jazz Festival *September 15–17, 2017* **Monterey, CA**

In its 60th year, this festival features 30 hours of live music over two days and three nights at the Monterey County Fair & Event Center. Headlining this year's event are Herbie Hancock, Chick Corea, Common, Leslie Odom, Jr., and many other iconic and emerging jazz artists.

Sausalito Art Festival *September 2–4, 2017* **Sausalito, CA**

Paintings, sculpture, drawings, ceramics, photographs, and other works by more than 270 artists from around the country will be on display and for sale at this juried art festival that takes place on Sausalito's waterfront. ■

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QUIZ

WHERE'S DINNER?

1. If you are tucking into a saffron-infused paella of rice and vegetables, you are most likely in:

A. Spain
B. Norway

2. If you are ordering fish and chips with a side of mushy peas, you are most likely in:

A. South Africa
B. England

3. If you are smearing Vegemite on bread to make a sandwich, you are most likely in:

A. Brazil
B. Australia

4. If you are eating haggis to honor the birthday of the poet Robert Burns, you are most likely in:

A. Scotland
B. Portugal

5. If you are ladling mole poblano over your chicken, you are most likely in:

A. Canada
B. Mexico

6. If you are diving into layers of moussaka, you are most likely in:

A. Greece
B. China

7. If you are slurping a bowl of udon noodles in miso broth, you are most likely in:

A. Japan
B. Peru

8. If you are savoring a bite of osso buco, you are most likely in:

A. Chile
B. Italy

9. If you are digging into a mound of cheesy spätzle, you are most likely in:

A. Germany
B. Ireland

10. If you are devouring a dish of cracked conch, you are most likely in:

A. India
B. The Bahamas

11. If you are drizzling lemon juice over Wiener Schnitzel, you are most likely in:

A. Panama
B. Austria

12. If you are spearing a mussel in your bowl of bouillabaisse, you are most likely in:

A. France
B. Egypt

ANSWERS: 1-A, 2–B, 3–B, 4–A, 5–B, 6–A, 7–A, 8–B, 9–A, 10–B, 11-B, 12-A

HMS FINANCIAL GROUP

WEALTH MANAGEMENT & FINANCIAL PLANNING

BARBARA SHAPIRO
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FOUNDED IN 1988 AS AN INDEPENDENT FIRM, HMS Financial Group is committed to ethical and personal financial planning and wealth management. Operating as an Office of Supervisory Jurisdiction (OSJ) for one of the largest, independent investment broker/dealers* in the United States, HMS does not have proprietary products, and has no vested interest other than the financial success of its clients.

Our founder and Vice-President, Herb Shapiro, passed away in October 2016. His core values of providing personal service, maintaining market objectivity, and high standards of integrity and honesty with the clients he served, are deeply ingrained in the HMS philosophy.

Barbara Shapiro, President, is a Registered Investment Advisor with the Commonwealth of Massachusetts, is a Certified Financial Planner® and one of the first Certified Divorce Financial Analysts in Massachusetts. She holds a Master of Science in Finance from Suffolk University and is a Graduate of the Securities Industry Association Institute at the Wharton School. Additionally, she holds a Master of Education in Counseling from Boston University and a Master of Education in Moderate Special Needs from Northeastern University.

Among her many recognitions, Barbara has served as a National Board Member of the Securities Industry Foundation for Economic Education, past member of the Boston Jewish Community Women's Fund, and was the Treasurer of the Massachusetts Council of Economic Education. Barbara also co-authored a book, 'He Said: She Said:' a practical guide to finance and money during divorce, which was published in 2015. She is continually interviewed and quoted in all of the major financial publications.

Barbara is an active lecturer to diverse groups and educational institutions, and has written and teaches a course on financial planning, investments, and long-term care insurance.

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