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Minutes

1) Start saving in a **Roth IRA**
   a) Tax benefits
      i) When you remove money from this type of account it comes out **tax free**
   b) Its flexible→can keep the money in there as long as you want, no mandatory withdrawals like a traditional IRA
   c) Saving a small amount at our age can result in huge benefits in the long run
   d) Roth Income Eligibility
      i) No longer eligible to contribute to a Roth IRA if your yearly salary surpasses $131,000/year, but you can still retain the account and let the money accumulate interest
   e) Approximate interest/growth rate is 7%/year
      i) While there is risk from year to year with the stock market (this is where the money that you put into your IRA is invested), if you keep your investment long term your IRA will experience growth
2) 401K Plan
   a) If there is an employer match, contribute the max amount that they'll match (usually 3 to 4 %)
3) Traditional IRA
   a) Contribute if you prefer to have the tax deduction now (but you will pay taxes later on contributions and earnings)
   b) No income limits
   c) You may contribute $5,500/year
   d) You can contribute to a Traditional IRA and 401K plan
4) Self-Employed or SEP IRA
   a) Can contribute up to 25% of annual income (max of $53,000/year)
   b) Taxed as ordinary income when you remove the money from this account
5) Should you work with a financial advisor?
   a) Depends on your interest in financial markets
   b) Highly recommended for professionals as their careers progress because their finances become more complex
6) What to look for in a financial advisor?
   a) Want to work with an independent company
   b) Want a transparent system (always know what your money is doing)
   c) Reasonable fees
   d) Want an advisor that does not have Discretionary Authority (basically this means that you will have no information as to where your money is being invested)

7) Final thoughts
    a) For business owners
        i) Your practice should not serve as your retirement!
            (1) Sometimes optometrists get to end of their career and think that they will get a large return on their investments when their practices are not actually valued at as much as they thought (ex. depreciation of value of equipment)
        ii) Have "buckets" for wealth building and keep them separate. Retirement and practice ownership do not belong in the same bucket.
        iii) For student without income you can invest in an E-trade account right now and roll that money into an IRA as soon as you start work

Contact Information

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Useful Resources

- Desert Capital Management Group, Inc.