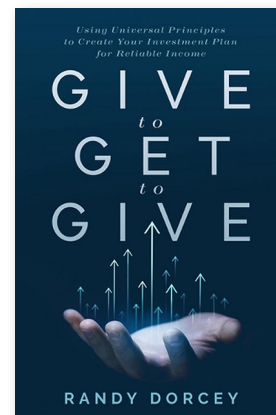


Executive Book Summaries®

Give to Get to Give

Using Universal Principles to Create Your Investment Plan for Reliable Income

by **Randy Dorcey**



Contents

Introduction: Some Advice About Ice

Page 2

Chapter 3: Eggs, Big Macs, and Whoppers

Page 2

Chapter 4: The Monetary Value of Trust and Trusting There is Always Enough

Page 3

Chapter 6: Growing Your Crop

Page 3

Chapter 7: More Growing with Some Knowing

Page 4

Conclusion: The Universal Principles of Giving

Page 4

THE SUMMARY IN BRIEF

“Advice is cheap and easily given. Counsel comes from a position of experience and expertise. When you are about to make a decision, it’s easy to find many people who will offer you advice. But those who can provide strong counsel are harder to find.”

The book *Give to Get to Give: Using Universal Principles to Create Your Investment Plan for Reliable Income* offers a crystal-clear strategic financial counsel that breaks the dangerous myths many financial gurus offer today. It, quite literally, drills the most critical principles of creating a fully funded living trust into the readers’ minds.

By weaving his delightful humor with deeply serious financial strategies, author Randy Dorcey ensures we are fully informed on how estate planning works, how to prepare for future financial catastrophes, how not to put all your dollars in one basket, why having a trusted financial counselor is critical, how you can reduce the amount of money you give away in taxes, and how to truly create financial freedom for a smooth retirement journey.

IN THIS SUMMARY, YOU WILL LEARN:

- How to create a reliable investment plan for your retirement income.
- How to avoid myths surrounding financial planning for retirement.
- How not to let the so-called complicated nature of investments overwhelm you.
- Why having an experienced and trustworthy financial counselor is critical.

Introduction: Some Advice About Ice

As a budding musical prodigy in kindergarten, I was given the opportunity to introduce our group's live performance at the Thursday PTA meeting. My speech went as follows: "Parents and teachers, now presenting, the Kindergarten Band!"

I practiced endlessly to get my speech right but my elder teenage brothers, faced with the irresistible urge to get into mischief, had other plans for me. They "advised" me to give the following speech instead, "Lay-dees and gentlemen, take my advice; pull down your pants, and go slidin' on the ice!"

So, when the day of the performance finally arrived, my sweet little kid's mind was trying hard to determine which speech I was supposed to deliver. Thankfully, I ended up choosing to follow the counsel of my mom and teachers over the advice of my brothers. And this distinction between counsel and advice is one I have continued to affirm for thirty years in the finance industry.

So, the old guy knows stuff. While he may have momentarily blown it as the kindergarten bandleader, he didn't cave to sibling pressure and sagely intuited to follow his own instincts. Those instincts served him well, allowing him to serve others in the capacity of a retirement income growth counselor rather than the factory-milled or gimmicky, slick Rick financial advisor. That counsel starts with "Pay Yourself First" so you can give to others, which ultimately circles back to giving to yourself.

The universal law of "give to get to give" is all about offering a percentage of your time, energy, and resources when you have little to invest. And then as your income and investments increase, you can continue to give back to others.

Chapter 1: Name Those Cows

The purpose of a farm cow is to provide dairy, and ultimately, meat. One summer, I welcomed two nice calves into my hobby farm, and of course, being babies, they were endearing. Everyone around warned, "You're gonna get attached and fail to treat them as farm animals." So, I decided to name them "Whopper" and "Big Mac." The purpose of those calves was known from the get-go, and christening them as I did reinforced to all, especially me and my children, what that purpose was. Critical to your financial success is understanding that not understanding your actions can be even more damaging than not knowing financial basics in the first place.

Freedom is the endgame you can only win if you start and allocate something to savings now. If your immediate reaction to reading those words was "I don't have anything extra to budget for savings right now," you're among those especially in need of reading them. Remember, the stress of living paycheck to paycheck vanishes once you have that \$5,000 emergency cushion. Understanding your actions allows you to adeptly modify your behavior, such as naming your cows, so you can realistically attain control of your finances and thus your financial freedom.

Chapter 2: Stick with Your Whoppers and Big Macs

"Don't put all your eggs in one basket" applies just as well in the twenty-first century as it did in the seventeenth century.

Unfortunately, this is what often happens when one swallows what is being passed off by financial advisors and investors at the Buffet of Orchestrated Optimism: one financial basket for all your investments.

Much of what bombards you in terms of "financial news," whether that be through financial advisors, television news analysts, the general public, or the internet, is not objective news or objective information. The majority is spin-biased rhetoric and disguised advertising, all ringing with pronounced optimism. Never drink the Bud Dry without asking why first.

By investigating the why, you can determine what "specialty" is really being sold to you and the reason it's being sold.

Chapter 3: Eggs, Big Macs, and Whoppers

"Don't put all your eggs in one basket," is not only a quaint maxim but also excellent retirement income advice.

Let's say you start with eight eggs in your basket and trip on your way out of the henhouse, and crack four eggs. From the investment perspective losing four eggs accounts to 50% of your basket. So, if your basket is worth \$100,000, you lose \$50,000. You now need to double the remaining \$50,000 to get back the original \$100,000. But here's the kicker: earning 50% only gets you back to \$75,000, so you're still out \$25,000. Which means you really have to earn back at 80% just to break even!

A common error when assessing the cost, benefit, and risk

Your retirement plan is more like a rolling stone than a watched pot. It will gather no moss if it's watched, and a mossy retirement is as bad as it sounds.

of lining one's portfolio with stocks is the omission of this build-back. Another common mistake is the failure to incorporate the inflation factor.

The even more important thing to remember is playing catchup isn't the game you want to be in when retirement is the goal. Cost/benefit and risk assessment should factor in the build-back. A 25 percent loss takes 33 percent to make up for; that's a lot when you have to eat.

Chapter 4: The Monetary Value of Trust and Trusting There is Always Enough

Active management is an important concept when thinking about your financial future. Your retirement plan is more like a rolling stone than a watched pot. It will gather no moss if it's watched, and a mossy retirement is as bad as it sounds. If left on the stove unattended, it will, no doubt, boil, but if you've ever neglected a boiling pot, you appreciate that it eventually burns to nothing.

Mixed metaphors aside, you get the point: active management filters out corporate risk, inflation risk, and interest rate risk – all crucial to your financial freedom.

Short of a surgeon or a pilot, and maybe an attorney, at no other time and in no other way does one so completely turn the reins of well-being over to another as one does when it comes to financial advisors and one's retirement income. While pro/con analysis, qualifications, pedigree, and experience may seem like they're driving your selection, the truth is, it's all a matter of trust. Make sure you trust on that most important inner level whoever holds the reins to your financial future.

And in the most unforeseen ways, if one just trusts in trust, in giving to get to give, it works. It just does.

Chapter 5: The Fun in Trusting the Magic Elixir Mixer

Attaining your financial freedom is only the first part. The second part is maintaining that freedom once you are in retirement. Many investors believe that increasing income requires taking on more risk. But risking your retirement income, especially when one is in retirement, is just wrong.

A common investing mistake is to think growth and return are the same thing. When one invests for income instead of growth, one wants to utilize vehicles designed to significantly reduce volatility. Growth quickly turns to loss when a crisis hits. Growth is actually just one component of return, and income is the other. When investing for income, the total return comes from two components: income plus growth.

So, the best way to continue growing your portfolio organically is by strategically reinvesting the income you don't need into other more conservative vehicles. Stocks, however, are not the first-choice investment tool for either part one or part two of financial freedom. They are not contracts to anything. They're more like tickets to a roller-coaster ride that in the end may leave you puking alone in the amusement park.

Chapter 6: Growing Your Crop

Growing your portfolio during your retirement years isn't altogether different from growing it to get you there. The "give to get to give" principle still applies. But you do need to make sure you don't outlive your money.

Retirement is about more than just money. And a satisfying retirement involves more than just adequate savings. It also entails mental and physical well-being, as well as interesting leisure activities, creative pursuits, and self-discovery.

You can supplement retirement savings and help stretch what you've already socked away by working a little longer, or part-time in retirement, at a profession or hobby you love.

Write down exactly what you want your life to look like during retirement and, either alone or with the guidance of the right financial counselor, develop a plan to make it happen.

Chapter 7: More Growing with Some Knowing

Unless you're among a select few, such as retired public service employees, you're not going to get a monthly paycheck from your employer for the rest of your life. But that doesn't mean a guaranteed source of lifetime income is out of your reach. There's an estate planner's tool called an annuity, which allows you to create your own pension of sorts. And you can buy one even during your retirement years to generate some of that retirement income.

But because there's more than one type of annuity with multiple variables, annuities tend to be off-putting. However, complicated doesn't always mean bad. And in the retirement income arena, complicated can even mean money. When words like complicated and financial get used in the same sentence, that usually gets interpreted to mean annuities, so what you should get out of this chapter is: don't be afraid of annuities.

Annuities are like everything else: some suit their owners well and do their job, while others suit very few people. While making sure you trust whoever is making the pitch for whatever investment tool is being offered is obviously a golden rule, the rule holds particularly true when it comes to annuities. Make sure you trust, in terms of knowledge and financial acuity, whoever is selling the annuity. Your old-school chum who does financial planning part-time after completing a few webinars during lockdown may not be the right person.

Finally, always be slamming Sam. Let me explain this using a farming example. It is critical that your retirement income, your "farm," serve you solidly throughout your retirement. Slamming Uncle Sam before he slams you is key. And by slam, I simply mean employing the tax code in a way that serves you. To do this, you need more than just a financial advisor. You need a retirement income counselor who specializes in estate planning and literally makes it their business to know the tax code so they can help you shield as much as possible from Uncle Sam.

Chapter 8: There's Giving and There's Getting Got

This was, admittedly, a tough chapter in terms of financial concepts, so if you didn't quite follow all of it, don't worry about it because What You Should Have Gotten is rather simple: one can never be risk-free, so beware and be aware. This applies in horseshoes, hand grenades, and, dagnabit,

the deceptively named "risk-free" interest rate.

Chapter 9: When the World Changes

Not to be overdramatic or to repeat the mantra we're all rather tired of hearing, but sometimes reality is best met head-on. COVID-19 has changed the world, which means everything in it has changed, and the fallout not only permeates our current daily lives but will also continue to impact our futures in ways we have yet to appreciate.

What anyone thinking about a retirement income strategy should most definitely appreciate, however, is that these changes have already impacted, and will continue to impact, one's retirement.

Accepting this truth and pivoting, whatever pivoting may mean to an individual, is critical. Whether one is in the accumulation years and looking forward to a financially worry-free retirement or is already living off the sweat of their working years, an ostrich-head-in-the-sand or delayed approach can be fatal to one's retirement.

Conclusion: The Universal Principles of Giving

As we bring this book to a close, it's time to think back on some of the lessons highlighted.

The first of these is to remember the difference between advice and counsel. Advice is cheap, whereas counsel comes from experience and expertise. Always name your cows! Earmark the percentage of your income that will go toward investment, and then stick with that process. Don't lose sight of what that money was for, and do not ever eat your investment seed corn.

Find a financial counselor who will actively manage your investment. Do not settle for riding the waves of one financial crisis to the next. Instead, be proactive and work with individuals who have your best interest at heart. Grow your crops. Do not fear the complicated nature of investing, and do all you can to "Slam Sam" by reducing the amount of money you pay to the government in taxes. And when global catastrophes, such as pandemics, emerge, stick with your game plan and work with a trusted financial counselor to actively navigate your path forward.

And in the end, always give to get to give!



Dr. Randolph "Randy" B. Dorcey is a practicing estate planning specialist. In 1988, Randy became the founder of Dorcey and Associates, which has evolved into Dorcey Financial, LLC. Randy has dedicated the last thirty years to educating his clients on how to use their money to achieve their life's goals in retirement and beyond. As a public speaker, Randy provides Living Trust and Trust Funding legacy presentations for groups of all kinds and sizes. He specializes in asset preservation, lowering taxes, understanding social security maximization as well as helping to protect your estate from nursing home depletion.

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