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IN THE
KNOW

FIRM AND FAMILY NEWS

Springing Forward with the PGI Team

The beginning of the year welcomed exciting new experiences for the PGI team.

Paul and Diane kicked off the new year with a trip to Arizona to visit Paul's daughter and grandchildren. During their stay, they journeyed to Sedona, where they hiked the Broken Arrow Trail, an adventure that quickly became a cherished memory for Paul and his four grandchildren. In February, Diane was delighted to celebrate the upcoming arrival of her second grandchild at her daughter's baby shower! Her daughter, Kelsey, and son-in-law, Dexter, are thrilled to be welcoming their baby boy, and they were happy to celebrate with those closest to them.

Carissa has been spending time delving into new hobbies this year. Her new favorite hobby, needlepoint, has been taking up much of her free time at home. Among her latest creations are a handcrafted ornament and a beautifully stitched portrait of their house. Aside from needlepoint, Carissa has been happy to continue her involvement in her book club and mahjong club, finding joy in the community of women who share so many of her passions.

Cheyenne had an exciting start to the new

year. She and her fiancé, Jaylen, adopted a beagle puppy, whom they named Mabel! Mabel has already made a fun new addition, bringing extra joy and laughter into their lives. Not long after her adoption, the trio took a short trip to Beaufort, where they enjoyed time strolling through the local parks, exploring the historic downtown, and walking along the beach. The trip was filled with quality time and sightseeing, making it a perfect way to welcome the spring season.

PGI is happy to share the addition of a new team member, Nick! Graduating from Grand Canyon University with a Bachelor of Science in Business Management and Administration, Nick joins us as our new Client Service Specialist, and we couldn't be more thrilled to welcome him to the team! Active in the behind-the-scenes operations of PGI, Nick will help to provide excellent service to our growing client base. In his free time, Nick enjoys golfing, surfing, and traveling.

We hope you had a wonderful start to the year, and we wish you joy in the spring months ahead!



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THAT TIME OF YEAR

Elevate Your Tax Game: Tips for the 2025 Tax Year

As the tax deadline for the 2025 tax year approaches, it's time to look beyond standard deductions and contributions. For those with a solid financial footing, several well-thought-out strategies can significantly enhance tax efficiency and boost long-term wealth accumulation. Acting before the April 2026 deadline can unlock powerful opportunities.

GO THROUGH THE BACKDOOR: THE ROTH IRA CONVERSION

High-income earners are often phased out of direct Roth IRA contributions. However, the backdoor Roth IRA conversion provides a strategic workaround. This process involves contributing to a non-deductible traditional IRA and then promptly converting those funds into a Roth IRA.

Although you'll pay income tax on any pre-tax funds converted, this move allows your investments to grow and be withdrawn completely tax-free in retirement. This is an effective way to secure a source of tax-free retirement income, especially if you anticipate being in a similar or higher tax bracket in the future.

HSAs: HIDDEN GEMS

A health savings account (HSA) is a powerful financial tool, often celebrated for its unique triple tax advantage: Contributions are tax-deductible, the funds grow tax-free and withdrawals for qualified medical expenses are also tax-free. However, the benefits of an HSA go far beyond covering immediate health care costs. Once your HSA balance exceeds a certain threshold, you can invest those funds in stocks, bonds and mutual funds, similar to how you would with a 401(k) or IRA, giving your savings the potential to grow significantly over time.

For 2025, you can contribute up to \$4,300 for an individual or \$8,550 for a family, with an additional \$1,000 catch-up contribution for those aged 55 and older. By choosing to pay for current health care expenses out of pocket, you can leave your HSA funds untouched, allowing them to grow tax-free and create a substantial financial cushion for retirement. This strategy not only helps you maximize the long-term value of your HSA but also ensures that you'll have a dedicated nest egg to handle potentially increasing health care costs later in life.

TAX-EFFICIENT CHARITABLE GIVING

Your generosity can also be a powerful tax planning tool. Instead of donating cash, consider giving appreciated assets, such as stocks or mutual funds, that you've held for more than a year. By donating the asset directly to a qualified charity, you can generally deduct the full fair market value and completely avoid paying capital gains taxes on the appreciation.

Another sophisticated strategy is using a donor-advised fund (DAF). You can contribute assets to a DAF, claim an immediate tax deduction and then recommend grants to your favorite charities over time. This allows you to bunch several years' worth of charitable contributions into a single year, potentially pushing you into a higher deduction bracket while maintaining your philanthropic rhythm.

PLAN YOUR TAX STRATEGY

These strategies require careful planning and execution. As the tax deadline nears, feel free to reach out to our office for help determining which of these advanced tactics align with your long-term financial goals and can optimize your 2025 tax outcome.

THE GOOD LIFE

The Art of Connection: Staying Social in Retirement

How you start your morning shapes the hours that follow. Instead of falling into old habits or rushing through the morning, embracing a thoughtful ritual gives you control and a chance to focus on what matters most, whether that's hobbies, health or personal connections. With a purposeful start, you're more likely to enjoy the day ahead and make the most of every moment during this rewarding chapter of life.

SIMPLE RITUALS TO TRY

You don't need a lot of time -- often, just 10 minutes can make a real difference. Here are three examples of morning rituals that can help you tackle the rest of your day.

1. Mindful Reflection: Before checking your phone, spend five minutes in silence. Do some meditation or simply focus on your breathing. This creates a buffer between sleep and the noise of the digital world.

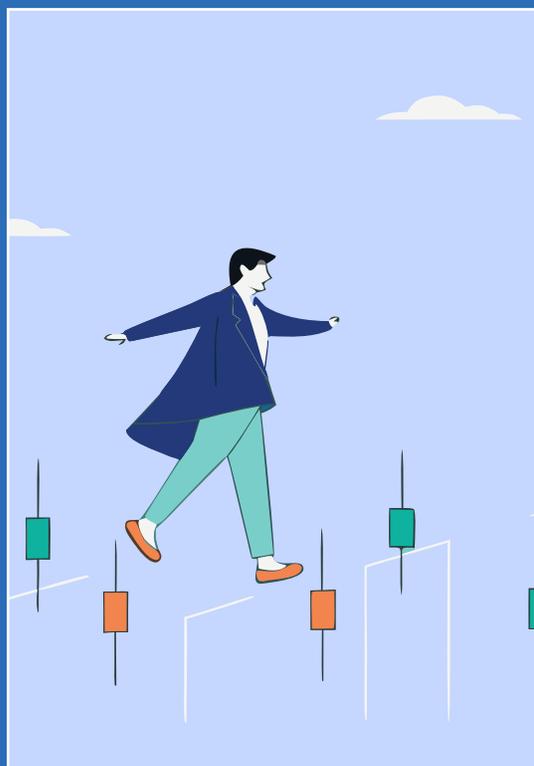


2. Gentle Movement: Wake your body up. Five minutes of stretching, a quick yoga flow or a brisk walk around the block gets your blood flowing and energy up. This keeps your body active, improves flexibility, and boosts energy levels without being too strenuous.

3. Plan It Out: Identify your "Big Three." What are the three absolute must-do tasks for today? Write them down. This gives you a clear roadmap for the day and prevents decision fatigue later.

START SMALL

The key to building a rewarding new habit is consistency. There's no need to transform your full routine overnight. Choose just one of these rituals and try it for a week. You may find it brings a greater sense of calm and satisfaction to your mornings.



HOW TO ...

Staying Financially Fit During Market Volatility

Market fluctuations can feel unsettling for retirees. But staying financially fit is possible with the right strategies.

Start by diversifying your portfolio. Spreading investments across stocks, bonds and other assets helps reduce risk. Focus on long-term goals and avoid reacting to short-term market swings.

Maintain a cash reserve covering six to 12 months of expenses to avoid selling investments during downturns. Reassess your risk tolerance and adjust your portfolio as you near retirement. Budget, cut spending and free up funds for savings.

Avoid emotional decisions and consult a financial professional before making significant changes. Stay informed with credible sources, but don't obsess over daily news.

Lastly, consider dividend-paying stocks for steady income, and review your retirement withdrawal rate to preserve savings.

These steps can help protect you in a volatile market.



DOLLARS & SENSE

The Hidden Costs of Investing: What Retirees Need to Know About Fees

As you approach retirement, you're likely focused on your portfolio's growth. But what if hidden costs are quietly eating away at your savings? Even a 1% fee could reduce your nest egg by more than 20% over several decades, potentially costing you hundreds of thousands of dollars.

Understanding and managing these fees is a powerful step toward improving your financial future.

COMMON FEES EVERY INVESTOR SHOULD KNOW

Most investment fees fall into a few categories. Awareness is the first step toward minimizing their impact.

- **Expense Ratios:** This is an annual fee charged by mutual funds and exchange-traded funds (ETFs) to cover operating costs. Index funds typically have low ratios (0.05%-0.20%), while actively managed funds can charge 0.75% or more.
- **Advisory Fees:** Financial advisors often charge around 1% of assets under management annually. This ongoing cost may be worth the information and advice they provide.
- **401(k) Administrative Fees:** Workplace retirement plans have record-keeping and administrative fees. These are often small percentages, but they add up over time.
- **Sales Loads and 12b-1 Fees:** Some mutual funds charge a sales commission ("load") on buys or sells. Additionally, 12b-1 fees are marketing costs passed on to you that don't benefit your portfolio's performance.

UNCOVERING FEES THAT FLY UNDER THE RADAR

Less obvious fees include bid-ask spreads on ETFs, transaction fees for buying certain mutual funds and

complex, layered fees within annuity products. While individually small, their combined effect can create significant drag on your returns.

Find out if you are paying these fees and assess whether they're justified.

ARE SOME FEES WORTH PAYING?

Not all fees are bad. The goal is to feel you're getting value for what you pay.

A fee-only advisor provides personalized planning, tax strategies and behavioral coaching that can be worth far more than their fee. Similarly, the fee for a low-cost annuity might be justified if your goal is guaranteed income. Weigh the cost against the benefit for your specific financial strategy.

WAYS TO KEEP MORE OF YOUR HARD-EARNED MONEY

You've worked diligently to build your savings; preserving it is crucial.

Choose low-cost index funds and ETFs for your portfolio's core. Select an advisor with transparent fees who prioritizes your interests. Always review the fee disclosures for your 401(k) and IRA, and don't be afraid to ask questions. Avoid funds with high sales loads or marketing fees when possible.

By staying informed and proactive, you can make decisions that align with your retirement goals.

THE SCOOP

Unlock Savings With Medical and Dental Deductions

Medical and dental bills can be a significant financial strain, but the IRS offers a way to ease that burden. By deducting qualified medical and dental expenses, you can lower your taxable income and keep more money for what matters most: your health. This guide will show you ways to optimize these valuable savings.

UNDERSTANDING THE BASICS

The IRS allows you to deduct qualified medical expenses that exceed 7.5% of your adjusted gross income (AGI) when you itemize deductions. This includes costs for treatments, preventative care and prescriptions. It's like getting free money just for taking care of yourself!

- **Qualified Medical Expenses:** Deduct doctor visits, hospital stays and prescription drugs.
- **Dental Care:** Routine cleanings, fillings and even dentures count.
- **Insurance Premiums:** Premiums for medical, dental and long-term care insurance are often deductible.

OVERLOOKED DEDUCTIONS

Don't miss out on these commonly overlooked expenses:

- **Transportation:** You can even deduct mileage, parking fees and tolls for trips to your appointments.
- **Home Modifications:** Medically necessary improvements, such as wheelchair ramps or stairlifts, can be deducted.

To claim these, keep detailed records, including receipts and invoices. Make sure your records are well-organized. Keeping them in a simple folder or digital tool can make tax time much smoother.



YOUR HEALTH IS YOUR WEALTH

Staying on top of your doctor and dentist appointments is not just vital for your physical health; it's a savvy financial move. By tracking your expenses, you can reduce financial stress and focus on your well-being. Investing in your health is truly one of the best investments you can make.



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BRAIN GAMES

Str8ts

Game Rules

Rows and columns are divided into compartments of white squares. Use single numbers to complete a straight for each compartment. A straight is a set of numbers with no gaps and in any order. No single number can repeat in any row or column. Clues in black cells remove that number as an option in that row and column, and are not part of any straight.

THISTLE BE GOOD:

Easy Spring Flowers To Brighten Your Garden

Fresh spring blooms are one of the simplest ways to add color and joy to your garden or patio. If you're dreaming of a cheerful outdoor space – but prefer flowers that don't demand much time or fuss – these tried-and-true favorites will help your garden thrive easily and beautifully.



Daffodils

These sunny yellow blooms are like little bursts of sunshine. No flower says spring quite like these cheerful trumpets.

Why they are easy

Daffodils are incredibly tough. These deer-resistant and self-multiplying plants reward you with more blooms each year.

Simple care tip

Let foliage die back naturally to nourish bulbs for next year.

Pansies

With their vibrant, expressive “faces,” pansies thrive in early spring's cool air – perfect for containers or borders and popping instant color into any spot.

Why they are easy

You can buy pansies as small plants ready to pop into the ground or a pot for instant gratification.

Simple care tip

Water regularly, but let the soil dry slightly between waterings. Pinching off the spent blooms (deadheading) will encourage them to produce even more flowers



Hyacinths

These are dense, starry clusters with an intoxicating fragrance that fills the air. Plant hyacinths near walkways or windows to enjoy their sweet perfume up close.

Why they are easy

These low-maintenance bulbs return every year with little effort.

Simple care tip

Place in well-drained soil, and soak up the scent as you stroll by.

Primrose

These bouquets of vibrant color bring life to shaded corners and window boxes, often brightening things up while the air is still crisp.

Why they are easy

Primroses thrive in partial shade and moist soil, making them ideal for areas where other, sun-loving plants struggle.

Simple care tip

Keep the soil moist for consistent blooms throughout the season.



CENTER STAGE

BELOW:

Diane and Paul at Kelsey's baby shower!



RIGHT:

Cheyanne and Jaylen with their new puppy, Mabel!



ABOVE:

Paul's grandkids on Valentine's Day.



BRAIN GAMES

ANSWER KEY:

		7	8	6	2	1			
7	8	6	5	9		4	3	2	
6	7		9	8		3	2	4	
8	9		6	7	4	5	1	3	
9	6	5	7		3	2	4		
1		2	4	3	5	8	6	7	
2	3	4		5	6		7	8	
	2	3		4	8	7	5	6	
3		1	2		7	6			



RECIPE

ALMOND-TOPPED FISH

cut here 

This easy baked fish recipe features tender cod or haddock layered over buttery onions, topped with a creamy Parmesan-lemon spread and finished with crunchy toasted almonds. Simple, flavorful, and perfect for a quick weeknight meal.

INGREDIENTS

- 1 tablespoon butter
- 1 small onion, thinly sliced
- 4 cod or haddock fillets (6 ounces each)
- Seasoning blend (1t. seasoned salt, ½ t. dill weed, and ¼ t. pepper)
- ¼ cup grated Parmesan cheese
- ¼ cup reduced-fat mayonnaise
- 1 tablespoon lemon juice
- 2 tablespoon sliced almonds, toasted

HOW TO MAKE IT:

1. Place butter in a 13x9-in. baking dish; heat in a 400° oven until melted.
2. Spread butter over bottom of dish; cover with onion.
3. Arrange fish over onion, sprinkle with salt, dill and pepper seasoning blend.
4. Combine the Parmesan cheese, mayonnaise, and lemon juice; spread over fish.
5. Bake, uncovered, at 400° until fish flakes easily with a fork, 18-20 minutes.
6. Sprinkle with almonds.

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UPCOMING DATES

MARCH

- 8 Daylight Saving Time
- 10 Workshop at High Cotton
- 12 Workshop at High Cotton
- 17 St. Patrick's Day
- 31 Medicare Advantage Open Enrollment Ends

APRIL

- 5 Easter
- 7 Workshop at Hall's Chophouse Nexton
- 9 Workshop at Hall's Chophouse Nexton
- 15 Tax Day
- 15 Deadline to make 2025 IRA Contribution