

THE PGCG GROUP QUARTERLY NEWSLETTER

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Private Wealth Management

The PGCG Group

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The PGCG Group

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Hurricane Helene Relief

Volunteering Opportunities for Helene



The PGCG Group

Team Pictures

Bull and Baird

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Hurricane Helene Tax Information

Individuals and businesses in a federally declared disaster area who suffered uninsured or unreimbursed disaster-related losses can choose to claim them on either the return for the year the loss occurred (in this instance, the 2024 return normally filed next year), or the return for the prior year (the 2023 return filed this year). Taxpayers have extra time – up to six months after the due date of the taxpayer’s federal income tax return for the disaster year (without regard to any extension of time to file) – to make the election. For individual taxpayers, this means Oct. 15, 2025. Be sure to write the FEMA declaration number on any return claiming a loss. See Publication 547, Casualties, Disasters, and Thefts, for details.

Qualified disaster relief payments are generally excluded from gross income. In general, this means that affected taxpayers can exclude from their gross income amounts received from a government agency for reasonable and necessary personal, family, living or funeral expenses, as well as for the repair or rehabilitation of their home, or for the repair or replacement of its contents. See Publication 525, Taxable and Non-taxable Income, for details.

Additional relief may be available to affected taxpayers who participate in a retirement plan or individual retirement arrangement (IRA). For example, a taxpayer may be eligible to take a special disaster distribution that would not be subject to the additional 10% early distribution tax and allows the taxpayer to spread the income over three years. Taxpayers may also be eligible to make a hardship withdrawal. Each plan or IRA has specific rules and guidance for their participants to follow.

The IRS may provide additional disaster relief in the future.

The tax relief is part of a coordinated federal response to the damage caused by this storm and is based on local damage assessments by FEMA. For information on disaster recovery, visit [disasterassistance.gov](https://www.fema.gov/disaster-recovery). Please contact your CPA for more tax information. *Information from <https://www.irs.gov/newsroom/irs-provides-relief-for-helene-various-deadlines-postponed-to-may-1-2025-part-or-all-of-7-states-qualify>

Volunteering Opportunities for Helene Relief

IMPORTANT: Do not go to a disaster area to volunteer. Until a disaster area has been declared safe to enter and volunteer needs are identified, stay home and donate instead. Volunteers should only come once they have been given an assignment with an established organization that has asked for assistance.

Things to consider:

Most organizations will require you to complete a volunteer application/form.

Reach out to the organization before you just show up.

Be flexible and adaptable. The organization will share their greatest need(s).

Focus on being a helper with good listening and communication.

*Information gathered from <https://nc211.org/hurricane-helene-volunteer-opportunities/>



All Hands and Hearts

Taking volunteer applications



American Red Cross

American Red Cross is seeking volunteers to address the disaster of Hurricane Helene.



Emerge Ministries is seeking volunteers for their Hurricane Helene efforts.

Based in Pink Hill, NC.



Hands On Asheville-Buncombe

Hands On Asheville- Buncombe is a site with volunteer opportunities posted in Buncombe County that folks can sign up for.



United Way of Henderson County

United Way of Henderson County has a [volunteer page](#) with opportunities posted.



Samaritan's Purse is seeking volunteers in Boone and Asheville.



Interfaith Assistance Ministry is accepting volunteers in Hendersonville

Fall Pictures



Dwayne and Blair attended the “Friends of Fazio” Dinner



Blair swearing in to serve two more years in the Henderson County School Board.



During the Helene recovery, Deane and Rachel, working with others at our local yoga studio, serving up hot meals for others in the community.



A couple of days after Helene, Deane and Dwayne had an appointment scheduled. To quote Deane “Just cause civilization is teetering doesn’t mean we can’t be civilized”



Dwayne and his wife Shania with their friend Delia.



Dwayne and Deane shooting clays at the FCA event.



John helped a friend run their first 100 mile running race in Big South Fork in TN.



Stefanie, Kelly, John, and Deane competed in a Triathlon

All That Matters: Busting Market Myths

Mike Antonelli and Ross Mayfield

Bull & Baird by Mike Antonelli

Myth #1: Is the U.S. dollar's status weakening?

Mike: The dollar is the world's reserve currency for a reason: we're the world's biggest customer. The U.S. consumer buys from sellers from countries all over the world, and we pay those sellers in dollars. These sellers have to do something with those dollars and the primary thing they do is buy our debt. This keeps momentum in the strength of the dollar.

The depth and breadth of our bond market is another reason we are not worried about the dollar's status as reserve currency. We have the most expansive and highly liquid bond market in the world. With our Treasury market, an investor can move billions of dollars daily without any noticeable impact to the market. You can't say the same when it comes to gold, the euro, crypto, or other currencies; those markets aren't deep enough for the world to transact in daily without significant market swings. This depth and breadth is our secret weapon.

And yet we have been hearing this dedollarization myth since the 40s and 50s – a myth that I suspect is mainly proffered by our political opponents.

Ross: When faced with these headlines, ask yourself, "Who has a vested interest in convincing others that the U.S. dollar will no longer be the reserve currency?" It's our geopolitical adversaries, and it's people who would benefit from more investors trading in crypto, gold or some other alternative.

But as you said, Mike, we don't see any real evidence of dedollarization. Something like 90% of foreign exchange transactions are done with the dollar, and 60% of the world's reserves are in the dollar. The U.S. bond market dwarfs any other capital market in the world. These headlines are a scare tactic but they aren't rooted in any real data that would validate the claims.

Myth #2: Are We Replacing the U.S. dollar?

Ross: Another myth that continues to proliferate is this idea that the Federal Reserve will replace our physical dollars with a central bank digital currency. In this scenario, our bank accounts would be replaced with something that could be actively controlled and monitored by the Fed. There's a couple of threads we can pull here, but the main one is that the Fed has said they're not going to do it. And even if they wanted to, it would require multiple other government bodies to get on board: Congress, the President and the Treasury. We don't observe many acts of bipartisanship lately, but there's no evidence that this is being looked at nor is it close to happening. It's just another scare tactic trying to entice you into doing something with your money.

Mike: Earlier this year – March 2024 – to be more precise, chairman of the Federal Reserve Jerome Powell went in front of Congress and said that we are nowhere near recommending or adopting a central bank digital currency. That's a quote from the most influential person in our monetary system. People simply do not need to worry about a central bank digital currency that is nowhere on the horizon. The people who are promoting this narrative are typically ones with ulterior motives to make you worried or sell you something.

Myth #3: Is Social Security Going Away?

Mike: Let's remember that social security is a pay-go system, meaning current workers pay for current retirees. When we think about today's workforce and incoming workers, the demographics of the United States are promising: Gen X, Millennials and Gen Z are three times as large as Baby Boomers. These groups are actively contributing to or will contribute to social security. It's also worth noting that the majority of social security benefits – 83% – come by way of payroll taxes, not from the social security trust fund. So even if the social security fund went to zero, we're covering the majority of benefits through our regular paychecks. For that remaining 17%, there's a handful of ways that it could be addressed: cutting benefits, increasing taxes, or printing more money are just a few potential strategies. Each of these scenarios have drawbacks, but the idea that we'll simply run out of social security funding full stop just doesn't add up.

Ross: You hit every key point. This is just a scary headline that news outlets know grabs attention. "If it bleeds, it leads." The social security myth is the financial version of that to get eyeballs, clicks and attention.

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Myth #4: Is AI Going to Take Our Jobs?

Ross: There have been versions of this headline throughout history: new technology is going to replace workers and lead to mass unemployment. (<https://www.bairdwealth.com/insights/baird-digest/articles/2024/05/what-happens-when-the-robots-take-over/>) Every time this idea circulates, it's relying on a faulty underlying assumption: that there is a set amount of work in the world to be done, and that if a robot or AI is doing more of that work, humans must be doing less. It's a fallacy. With every technological revolution throughout history, we create new things, invent new jobs, develop new businesses and find new types of work. Take farming as an example: we were an agrarian society 200 years ago, and yet less than 2% of the population are farmers today. Where are those would-be farmers? They're working in industries that didn't exist a couple hundred years ago – the information sector, the technology sector – and contributing to an incredibly strong labor market. (<https://www.bairdwealth.com/insights/market-insights/baird-market-strategy/2024/08/in-the-markets-now-labor-day-labor-market-update/>)

Mike: It's worth pointing out that today's headlines would have you worry about a job market that has one of the lowest unemployment rates in history. AI is simply a productivity tool to help us do our jobs better. It can do spreadsheets in ten minutes that would otherwise take a day. It can create websites in minutes. By outsourcing these tasks to AI, people can be even more productive. We have to stop thinking every technological advancement is a net negative for society. When I think of the major inventions in history, they haven't taken jobs away, especially in the United States. Instead, they contributed to the most productive and profitable and entrepreneurial nation in the world.

Final Thoughts

Mike: I have no doubts that there will be more market myths for us to bust in the future. But in the meantime, it's always worth asking yourself a few questions (<https://www.bairdwealth.com/insights/wealth-management-perspectives/2020/08/how-to-read-the-financial-news/>) when you read something unsettling: Who's the person telling you this news? Are they selling you something? Do they benefit from keeping you engaged with their content? If you're ever questioning something you see in the news, feel free to reach out to your Baird Financial Advisor. We love answering these questions – it's why we did this video, because we hear these questions from clients all the time.

Ross: We are not wide-eyed optimists or naïve about the problems in the world, but we can tell when something is coming from a bad actor, or there's a bad faith argument intended to scare people. We want to be on the other side of that, helping you make sense of the headlines so that you make the right decisions with your money.

Info from: <https://www.bairdwealth.com/insights/market-insights/baird-market-strategy/2024/09/all-that-matters-busting-market-myths/>