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» Welcome To 2022

A Check-In From the Desk of

Ali A. Criss, CFP®, CDFA®

Chief Executive Officer

They say there is nothing constant or permanent in life except change, at least Greek philosopher Heraclitus said so roughly 2,500 years ago. These wise words have withstood the test of time and global space with each passing season, political conflict, historical event & human progression. Even in recent years, we have experienced a whirlwind of milestones: a multi-year global pandemic that has lost almost 6 million lives, the longest bull market in history spanning almost 13 years & increasing the S & P some 800% from March 2009 to January 2022 and now a looming, senseless war in Ukraine that has the whole world wondering: what is next and even more apropos: what do we do?

It is natural to have a bit of unease or even anxiety coming out of a period of change of the likes we have never seen. As we enter 2022, it would be accurate to say we are experiencing a bit of fatigue.

BUT, human beings are adaptable. For thousands of years, we have used periods of uncertainty as opportunities for growth and renewal. We have progressed, built, and made our world stronger. We wake up each morning, stay the course, hug our loved ones, and continue forward.

As we are in life, so we are at Financial Insights. We are staying consistent in our plans; keeping focused in this time of change so we are positioned for growth. We are looking to the long term for our clients and families. Having built strong long-lasting relationships & a dynamic wealth management team, we are excited for our collective future.

We welcome you to 2022, thank you for putting your faith & trust in us. Our Financial Insights team is committed to continue what we have done for over 40 years: adapt, endure, improve, and keep growing our future together with each passing day.

Happy Spring,

Your Team at Financial Insights



Ali A. Criss, CFP®, CDFA®
Chief Executive Officer

»» Holiday Economic Recap

From the Desk of Brian Babbitt, CFA, CAIA

Chief Investment Officer & Chief Compliance Officer

Thank you to all that attended our Holiday Economic Update. It was great to connect with you and hopefully for those that were present, they found it informative and helpful. As a quick reminder, I've provided a recap of the topics discussed below:

»»1. We discussed the magnitude of the economic impact that Covid shutdowns inflicted. Job losses, the recession and overall economic declines were of historic proportions. Financial markets reflected the economic damage by experiencing one of the quickest and most severe selloffs ever.

»»2. Luckily, policy makers acted quickly to stem and even reverse the damage. The Federal Reserve rolled out numerous and massive programs to keep financial markets functioning. For their part, lawmakers passed historic stimulus bills to encourage consumers to spend and keep the economy afloat.

»»3. The actions by policy makers paid off as the economy regained its footing, adding jobs and keeping companies in business. Financial markets reflected these successes by posting the quickest turnaround in history - even producing record index levels.

»»4. While the economy rebounded, supply was not able to keep up with demand resulting in inflation. Short term issues such as supply chain bottlenecks and shortages of semi-conductor chips led to rising prices (felt especially in energy and car sales). The good news is that during periods of inflation in the past, markets have held up relatively well.

»»5. Heading into 2022, we expected a "bumpy ride" as the Federal Reserve planned to withdraw its support and raise short term interest rates. Thus far, the bumps have been quite large as investors grew anxious about economic growth and the Fed going too far with its exit from markets.

»»6. Finally, we emphasized that while markets may experience short term swings, the key to being a successful investor is to resist the urge to intervene and remain invested - focus on the long term. In the end, patience is rewarded by financial markets.



Brian Babbitt, CFA, CAIA
*Chief Investment Officer &
Chief Compliance Officer*

»» From the Desk of

Dorothy A. Lewis, MA, CFP®

Founder

»» Required Minimum Distributions (RMD) Updates

There are new Required Minimum Distribution (RMD) rules that changed in a 2019 tax law. If you turned 70 ½ in 2019 or earlier, the starting RMD date remains unchanged. Your first RMD had to be taken the year in which you turned age 70 ½, with a special rule the first year. Anyone that turned 70 ½ after 2019 must their first RMD for the year in which he or she turns age 72.

Another change in 2021 was the IRS issued new life expectancy tables to be used to compute the RMDs beginning in 2022. The tables have slightly longer life expectancies than the old tables, making RMDs a little bit lower under the new tables than the old ones.

The lower RMDs might be short-lived. The pandemic has caused life expectancy to decrease in the US. The IRS plans to update the life expectancy tables every few years. The next tables could have short life expectancies and result in higher RMDs.

»» What Is A Qualified Charitable Distribution (QCD)

A Qualified Charitable Distribution (QCD) allows individuals who are 70 ½ years or older to donate up to \$100,000 annually from their traditional IRAs or inherited IRAs to one or more IRS qualified charities. The QCDs can be counted toward satisfying your RMD and also excludes the amount donated from taxable income, which is unlike regular RMDs from an IRA.



Dorothy A. Lewis, MA, CFP®
Founder

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2022 EDUCATIONAL SERIES

»» **Let's talk about Estate Planning!**

Estate Planning is one of the most dreaded and misunderstood areas of the law, but it doesn't have to be. Join us as we explore what "estate planning" is, what documents every person should have, some common misconceptions and how to set yourself up for success. After all, estate planning is all about choices and planning for what matters most.

DATE / TIME:
Wednesday, May 18th, 2022
3:00 pm via Zoom

LOCATION:
Zoom information will be emailed the morning of the event.

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