



Happy Spring!



As we send you our quarterly newsletter, the flowers in Washington, DC have SPRUNG! It's not only a beautiful time of year to see the cherry blossoms but also to enjoy ALL the beautiful flowers of spring. **While you will find lots of great "technical" information later in our newsletter, I wanted to share with you the idea of "life diversification".** Anna Rappaport, a

former actuary and Mercer retirement consultant, continues to share at the young age of 78, what she has learned about the "Life Portfolio of a Successful Retiree" - [Click here](#) to view graphic.

In looking at what she shares, and knowing the holistic & integrated work we do here at Omega, I thought I would share this with all of our clients since **it's not just retirees who might want to be thinking about their "life portfolio"**. As you can see from the graphic, Anna's idea of **your life portfolio consists of 4 areas: Health, People, Pursuits, Places**. To me, **these are all areas of happiness that are important to consider and tend to—regardless of your age**. From time to time in your life, you may be weighted more to one area or another, but like in investment portfolio diversification, you need to review your "diversification" and at times, "rebalance" back to the optimum weightings in each area. **What's amazing to me is how so many people spend much more of their time on an area of diversification that is harder to manage and know...investment**

diversification, and much less on the areas within your "life diversification" that you CAN control.

Spring is a good time to do a bit of "housecleaning" and perhaps some "life rebalancing" when we may have a little more time for some of these areas of happiness. **The key is being intentional about what's important and how to get there.** The reality is that when we neglect these life areas, they can lead to real financial consequences:

Neglect your health—you may have more medical expenses.

Neglect your relationships—you may lose them, and it could even mean divorce.

Neglect your pursuits—you may not bring your best self to work and may not make as much money as someone who is passionate about what they are doing.

Neglect your places—they can cost you money in extra "deferred maintenance".

So, as we move into this season of hope and renewal, what do you need to invest in to create more "life diversification"?

Enjoy!



Lisa A. K. Kirchenbauer, CFP®, RLP®, CeFT™
President



When people hear the word “diversification” in the financial world, they typically think about their investment portfolio. I’d like to posit that **there is “diversification” in financial planning as well.** As holistic, comprehensive, financial life planners, we believe **your “planning portfolio” consists of:**

- Life Planning
- Cash Flow Planning
- Tax Planning
- Retirement (Financial Independence) Planning
- Education Planning
- Investment Planning
- Insurance Planning
- Estate Planning

At Omega, Life Planning is the driving factor with all the other planning areas serving to help make sure that you achieve your life goals. That’s why we spend the first couple of meetings getting to know you, using exercises to help you discern and articulate what is most important to you. Then we look at the planning in the other areas to support your life vision.

We want to make sure that you have diversified planning. **If an advisor were to focus solely on Investment Planning without regard to Tax Planning, you may end up with a hefty tax bill as well as having to pay surcharges and higher Medicare premiums. If you don’t have adequate Insurance Planning, your wealth may be subject to unnecessary risks and your family may incur higher expenses. Without proper Estate Planning, your family may have to pay much more in taxes.**

Speaking of taxes, the primary filing season is over. In order **to do this diverse planning, it is important for us to get a copy of our clients’ tax returns.** We will let you know next quarter what trends we are seeing under the new tax law—are total taxes higher or lower? Are more people taking the standard deduction?

In summary, yes, we think you need to have a diversified financial and life portfolio, AND we believe that you benefit from diversified planning, too!

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Disappointed by this year's tax refund or lack thereof?

Tax filing is done for most taxpayers. **Some taxpayers had to pay in April even though their overall tax bill was lower than last year.** This is because when the tax law changed so did the withholding rates.

- **If you had to pay in April, consider changing your withholding** by completing a new W-4 form and submitting it to your human resources department.
- **Note that withholding on bonuses and pension was lowered as well.**
 - **If you receive pension income, you can adjust withholding by completing a Form W-4P and giving it to your payer.**
 - **For bonuses,** you have some opportunity to determine how much is withheld.
Assuming a bonus of less than \$1 million:
 - **If your employer pays it to you as a separate payment from your normal paycheck or specifies it as a separate line item on your normal paycheck, 22% will be withheld for taxes (regardless of your tax bracket).**
 - **If it's combined with your regular paycheck in one lump sum, withholding will be at the same tax rate as the rest of your regular income, which depends on your tax bracket.**

(Source: IRS 2019 Publication 15, Section 7)

- **If you have income from sources other than salary, consider having extra withheld from your salary** so that you don't need to make separate estimated tax payments.
- You can **do a paycheck checkup at any time** at <https://apps.irs.gov/app/withholdingcalculator/>. This can also be used to do a checkup for pension payments.

As you start planning your summer/fall travel be sure to check out these Trip Insurance Tips

from Scott McCartney's WSJ article dated April 3, 2019:
"One of Life's Great Riddles: Do I Need Travel Insurance."

"Who needs travel insurance?"

Anyone who has nonrefundable expenses at stake that it might hurt to forfeit. If you're going to hurricane-prone areas, it's wise to insure your trip. The same goes if you're traveling outside your home health-care network, or have a medical condition that could impact travel.

How to buy it:

- **Shop with a comparison site like InsureMyTrip, Square**



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mouth or TravellInsurance.com. You can screen policies for features you do or don't want, and easily check terms and coverage of various policies, plus ratings on the insurance companies. The sites can also help advocate for claims if you end up in a dispute with the insurance company.

- **Consider specialized policies instead of comprehensive ones.** Some policies offer only medical and medical-
evacuation coverage. Some are tailored for cruises. Insure MyTrip says policies will soon be available that just cover damages to rental homes. You can save money by purchasing only the coverage you need.
- **Read exclusions and "covered reasons" carefully.** They vary by policies and insurer. See what works for your situation.
- **Consider "Cancel for Any Reason."** That's been my recommendation. These policies, available from several companies, cost about 40% more, reimburse only 75% or

less of the cost of a canceled trip and typically require cancellation at least 48 hours before departure. **But they offer tons more flexibility and get you out of the exclusions and "covered reason" traps, making them likely far more effective than standard travel insurance."**

I personally had travel insurance through a cruise line in 2015 and had to make a claim when, due to medical issues, I had to cancel my trip. I confess that it was a lot of paperwork to make the claim. Then, I had to get doctors' signatures and release my medical records. The insurance company eventually paid the claim, but it was several months later, and it took a lot of time and energy on my part. If I were to get trip insurance again, I would take Scott's advice and shop around. Safe travels!

~Kathy

Business Owners' Corner

While April is generally not most businessowner's favorite time of the year (paying last year's taxes and then having to make a quarterly estimated tax payment for this year), it IS a good time to stop and reflect on how your year is progressing. Here are a couple of thoughts to help you keep on track toward a successful 2019:

- **Do you have a budget for 2019 (yet)?** If not, time to get it done!
- **Are you making progress on your Marketing Plan?** If not, do you need to make some mid-course corrections?
- **Are you meeting with your direct reports quarterly?** If not, why not start?
- **Are your taxes filed? Do you have a sense of what you will need to pay for the rest of 2019 into 2020?** If not, time to ask your accountant to coordinate with your bookkeeper to figure it out.



For many businesses, there is a lull in the summer before things pick up in the last quarter. Now is a good time to make the most of that pre-summer momentum to get a handle on your progress so far and make any changes you need to make before things slow down.



Have you ever wished you could take a look at your investment accounts via your smart phone? Well, you're in luck! Both SEI and Schwab have secure, mobile app-versions of their current client portals that can be accessed on iPhones/iPads and Android phones/tablets – the security differs in that you can set up additional verification through PINs and/or Touch ID (versus logging on via desktop). Below we will explain how to set up these online portals.

Note: You will need to have already established logins with their respective online portals prior to using the smartphone apps.

SEI Investments

If you haven't received an e-mail inviting you to sign-up for online access yet from SEI, or if the e-mail is hiding somewhere in your spam folder, **you should take advantage of SEI's online client interface.**

Enter the following URL in your browser:

www.accessmyportfolio.com. That should take you to the main login page, where below the "User ID" box, is the option to **"Register for online access."** Clicking the link will register you for SEI online access (after confirming your identity, including your DOB, zip code, and last four digits of your SSN).

Welcome to Access My Portfolio

User ID:

[Forgot Your User ID?](#)

Enter Your Password:

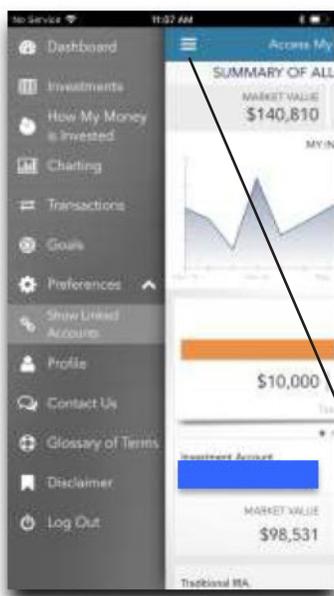
[Forgot Your Password?](#)

Continue >

By logging into this system, you signify your assent to our [Terms](#) system.

Login & Edit Security Profile >

Register for online access. >



Mobile App - Getting Started www.AcessMyPortfolio.com

1. Search and Download the **AccessMyPortfolio** app from your App Store (iOS and Android supported). Once downloaded, open the App and the login page will display.
2. Enter your AccessMyPortfolio **User ID** and **Password** in the appropriate fields. Select **Continue**.
3. A One Time Password will be sent to your email registered with AccessMyPortfolio.com. Enter this **One Time Password** into your mobile device to verify that the device is yours.
4. For faster and easier login in the future, enter either a 4-digit PIN or select TouchID if your device permits.

The Main Menu icon at the top left of the page allows you to quickly access the pages you want to view:

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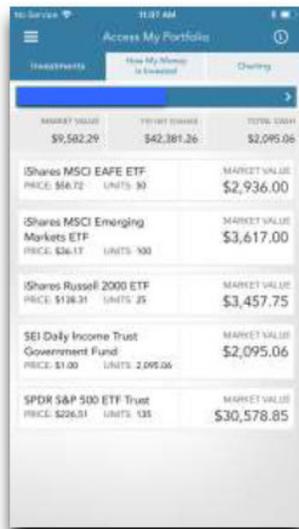
The Dashboard is the first page that appears after you login, it provides summaries of key information available within the app, such as:

- Summary of All Accounts
- Account Value overtime
- Total Asset Allocation
- Linked Accounts (accounts that you have access to but are not an owner)

Reference the Glossary located at the top left of the page for more information.

The Investments page displays the assets you hold in your investment accounts.

View all of your accounts, or a single account, by clicking the **account selector**.



Asset Name	Investment Category	Asset Symbol	Units	Price	Market Value
iShares MSCI EAFE ETF	Equity	EFA	50	\$48.72	\$2,436.00
iShares MSCI Emerging Markets ETF	Equity	EEM	100	\$36.17	\$3,617.00
iShares Russell 2000 ETF	Equity	IANI	25	\$138.31	\$3,457.75
SEI Daily Income Trust Government Fund	Cash and Equivalents	SEOXX	2,095.06	\$1.00	\$2,095.06
SPDR S&P 500 ETF Trust	Equity	SPY	135	\$226.51	\$30,578.85

For a more detailed view, rotate your phone horizontally to access more information about your investments.

Schwab

Head over to Schwab's website to get set up on their client portal. **Enter the following URL in your browser:** <https://client.schwab.com/login/Clwe/Clwe.aspx>. That will take you directly to the online account registration page, where Schwab requires you to fill out some information to register (account number, SSN, DOB, home phone number).

Login ID Setup

1. Authentication
2. Account List
3. ID/Password Setup
4. Confirmation

To access your account information online, you'll need to complete a brief registration process. To begin, enter the information below to help us verify your identity.

Client Identification

Please enter the following information :

Social Security Number : - - [Don't have a Social Security Number? r#](#)

Brokerage Account Number : -

Date of Birth : MM / DD / YYYY

Home Phone Number : - -



powered by VeriSign

Once set up, search "Schwab Mobile" in the App Store and download it. Use your Schwab login and password to get connected.

Schwab on Apple:

Deposit

Deposit checks by simply taking a picture with your iPhone, and transfer money between accounts with ease. Learn more about [Schwab Mobile Deposit™](#).

Research

Get news, charts, research, and analysis on stocks, ETF's, and mutual funds - all before logging in.

Trade

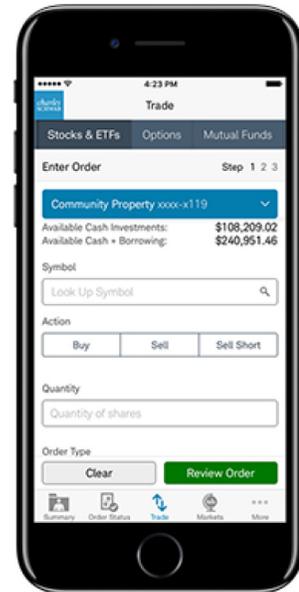
View holdings, Trade Stocks, ETF's, mutual funds, and options. Check the status of your orders.

Track

Stay in the know with real-time quotes, charts, watch list, news, and more.

Manage

View transaction histories. Keep an eye on balances for your brokerage, 401(k) accounts, and Schwab Bank accounts. Pay bills using Schwab Bank Bill Pay™.



For illustrative purposes only.

Schwab on Android:

Deposit

Deposit checks by simply taking a picture with your Android device, and transfer money between accounts with ease. Learn more about [Schwab Mobile Deposit™](#).

Research

Get news, charts, research, and analysis on stocks, ETF's, and mutual funds - all before logging in.

Trade

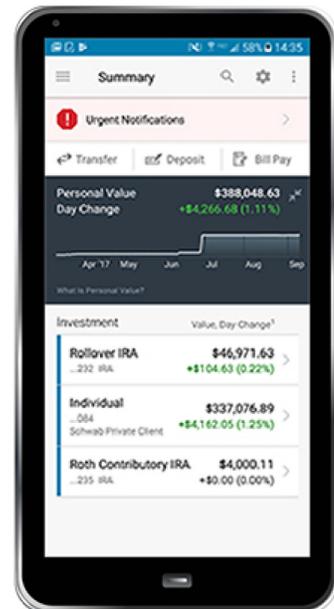
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View transaction histories. Keep an eye on balances for your brokerage, 401(k) accounts, and Schwab Bank accounts. Pay bills using Schwab Bank Bill Pay™.



Investment Outlook



by Jared Jones

Q1 Investment

The dichotomy of the past two quarters for investors is dizzying. We went from having the worst December since the Great Depression, thinking surely this is the end of this record-breaking bull market to having the best quarter in a decade. How can such contrast exist in such a short period?

There's a popular analogy in investing, comparing the economy and the stock market, made famous by fund manager Ralph Wagner. Imagine a man walking his dog on a leash through the park on a warm spring day. The man walks with a steady gait through the park, while the excitable dog, on a long leash, darts randomly in every direction, barking and chasing squirrels. While the dog dashes quickly every which way, sometimes straining on the leash, the dog heads in the same general direction as his owner who is walking at a steady pace of three miles per hour. **In this analogy, the dog represents the stock market, and the man represents the economy, steadily walking onward with few deviations. There will be quarters, like Q4 2018, where the dog darts backward, and you think surely, this is when the dog pulls the man backward. Then out of nowhere the dog rapidly shifts and runs in the opposite direction, like the beginning of this year.**

The past two quarters illustrate perfectly why you never want to put too much weight behind market movements during one particular day, week, or quarter. Our investment philosophy is centered around being prepared for the dog to dart in any direction. We always recommend that our clients have their known short-term expenses invested conservatively. Doing so helps "tighten the leash" considerably and limits the amount of scurrying the dog can do. Additionally, with money set aside for the future, we want to be unconcerned with the quick movements of the "dog," and invest in strategies that take advantage of the steady gait of the man, constantly advancing and moving forward.

Recap of Q1

U.S. stocks had their largest quarterly gains in nearly a decade, as bets were made that the Federal Reserve would hold interest rates at low levels as global growth slows. For the majority of our clients, the losses experienced at the end of 2018 have been wiped away, and recouped. Despite the first quarter rally, benchmarks are still off of their



highs reached last fall. Many investors continue to believe the U.S. economy is a relative bright spot in the world

Adding some pause to prospect of a continuing rally is the sustained decline in bond yields throughout the quarter. **We saw our first yield curve inversion since 2007 during the quarter (when shorter-term yields are higher than longer-term yields). This is important because it has preceded each of the last 9 recessions, although not every inversion has ended in a recession.** Since the inversion, there has been a slight recovery, but this warrants monitoring.

Thoughts from Our Investment Partner, SEI Investments

Both SEI's large-cap and small-cap strategies have seen double-digit returns to start the year. International developed and emerging strategies at SEI have seen similar recoveries from the end of last year, but both have lagged the performance of the U.S.

Fixed-income positions have seen modest positive returns as yields have slightly declined over the quarter. The core-fixed income strategy at SEI has benefited from its positioning in longer duration bonds and has outperformed comparable strategies. SEI's high-yield strategy underperformed its benchmark, yet posted historically large quarterly returns. Finally, the emerging market debt strategy has performed well, benefitting from positions within Egypt and Venezuela, and overweighting toward Saudi Arabia, Qatar, and Bahrain.

Omega's Outlook

There's no denying that we are witnessing a synchronized

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slowing of global growth. **Slowing does not mean we are in a recession, or that we will fall into one soon.** Much of the global growth depends on what happens in China and the U.K. A trade deal in China, and the outcome of Brexit are two macro events that will have significant impact on global growth. As I'm writing this in early-April there appears to be growing optimism around both situations.

Historically, we have seen a recession on average within 12-18 months of a yield curve inversion like the one in March. The only time there wasn't a recession was in 1966-1967, and the U.S. economy still slowed dramatically. As stated above, this is something that warrants continued monitoring. There's no predicting when things will shift, but this is a signal that shouldn't be ignored.

Not many people are predicting imminent recession. However, the evidence points towards the current secular bull cycle being closer to the end than the beginning. Many things are different today than they were before the last recession. For instance, rates are much lower now than any

time before a previous recession. **While it could mean that the Fed has little ammunition to work with in the next recession, it could also mean the next downturn will be like falling out of the first story window versus the top floor.**

The truth is that no one knows when, or how severe the next pullback will be. The market has a way of taking expectations and flipping them on their head. **Through all of this it is easy to forget that diversification has historically been the most reliable approach to long-term investment success. Omega believes passionately in diversification among long-term/short-term strategies, active/passive management, and amongst broad assets classes. We need to weigh the shorter-term movements of the "dog" and the longer-term movements of the "man" as we think about an overall investment strategy.**

As always, if you have any concerns about the markets, or have any near-term cash needs you have not discussed with your Omega team, please do not hesitate to reach out.

2018 Returns:

Benchmark	Benchmark Returns YTD	Category
Russell 2000	14.60%	U.S. Small Cap Stocks
S&P 500 Index	13.07%	U.S. Large Cap Stocks
MSCI EAFE Index	9.98%	International Stocks
Barclay Global Aggregate Bond	2.94%	Intermediate Term Bonds

Women 2 Watch Event

Lisa, Kathy and Jared traveled to NYC to be part of the 4th Annual InvestmentNews “Women to Watch” think tank and gala luncheon. Below is the group photo of all the award winners and then one of Kathy, Lisa and Jared.



THE OWM FAMILY

As many of you know, Omega is celebrating its 20th anniversary! Twenty years ago, I began the firm as Kirchenbauer Financial Management & Consulting. For many years, I had dreamed of owning my own business, but it wasn't until 14 years into my career that it became a reality. We began with just me and just one employee and over the years have welcomed a number of people into the OWM Family. 20 years ago, we were a fee and commission business and by **2004 we had evolved ahead of**



many of our peers to a fee-only, fiduciary model focused on financial life planning. Around that same time, we began to add a more holistic approach to our work through my training with the Kinder Institute of Life Planning and Sudden Money Institute. Four years ago, Jared Jones and Andrew Mehari joined our Team, Kathy Frakes came a year later and then last year, Davis Gardner and Carol Kulmayer joined the team. **Earlier this year, we completed a small acquisition of a colleague's practice in NYC and now we are happy to welcome a great group of clients up in the NYC area to our Family.**

Location-wise, we have been in Arlington from the start and we were lucky enough last year to be named by Arlington Magazine as the Best Financial Planning Firm in the Arlington/McLean/Falls Church area. While peer and client selected awards are important, what means the most to us is our clients. We are so grateful for the support of our clients who have been with us even before the official start of this firm (they were with me at the Acacia Group). We can't do this without them...without YOU.

We are also very grateful for the long-term relationships we have had with some key professionals in the areas of estate planning, accounting, mortgage banking, insurance and so many other areas of expertise. Good financial planning is a "team sport" and we love coordinating with our clients' advisors!

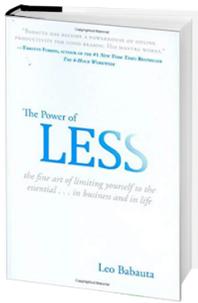
Unlike at some firms, Omega takes a "team approach" to working with our clients. Rather than just depending on one advisor/planner, **our clients know that they have a team that they can depend on over the years. We work together, we keep each other informed at weekly one-on-one and team meetings. Whether you are working with Lisa, Jared, Kathy, or Davis, you can be certain that we are committed to providing the best advice possible for each client's particular situation.**

In June, we will be celebrating 20 years in business with a special luncheon meeting for our advisor colleagues and a special gala event for our clients...we can't wait!

And in case you missed it...Kathy Frakes received her Certified Financial Transitionist designation recently! She joins Jared and Lisa who have already achieved this rigorous designation that helps us support our many clients who are in some kind of transition.

BOOKS & RESOURCES

Lisa is a big self-improvement junkie and she continues to offer more productivity books for 2019...

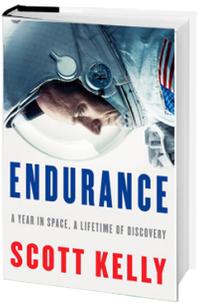


The Power of Less

by Leo Babauta

If you need some serious inspiration and motivation AND you are overwhelmed by the complexity in your life, check out Babuata's book. His transformation is remarkable and he offers a lot of great wisdom to help you clear the clutter in your life and start making progress by getting clear on your priorities.

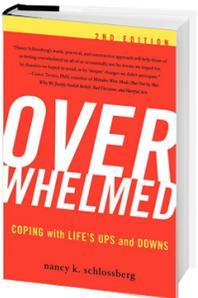
And then for something completely different and because she is also fascinated by space and twins (she has twin boys!)



Endurance

by Scott Kelly

I'm so into this story that I asked for both this book and his photography book that reflect on Kelly's year at the International Space Station. What an inspiring and interesting book for space junkies. And as we publish this newsletter, the scientific studies that were done on Scott and Mark Kelly are just coming out....good news for those of us hoping to go to Mars!



Overwhelmed

Second Edition by Nancy Schlossberg

Overwhelmed presents a step-by-step approach to turning overwhelming transitions into challenging experiences. By systemically sizing up transitions and one's resources for dealing with them, people can learn how to build on their strengths, cut their losses, and even grow in the process.

Finally, I am reconnecting with **Mint.com** to track my expenses. What's different this time is my commitment to invest a bit of time each week updating/categorizing expenses and so far I have three month's of expenses inputted and a budget I am tracking against!

DON'T FORGET - Important Dates and Reminders

Monday, May 27th - Memorial Day (Omega Closed)

Friday, June 7th - 20th Anniversary Advisor Forum

Saturday, June 8th - 20th Anniversary Client Gala

Thursday, July 4th & Friday, July 5th - Independence Day (Omega Closed)

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- Support Client Service & meeting preparation process
- Coordinate investment research & analysis process



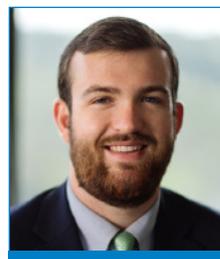
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- Appointment scheduling

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We love to keep you up-to-date on what's going on in the markets and in our office, so we're always posting new blogs, vlogs, and updates on our website. But, did you know we're also on social media? Follow Omega Wealth Management on Facebook and LinkedIn for more updates from us!



No social media? Don't worry – we're still going to send out all of our pertinent updates via email.
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