



Preparing For The Unexpected, Even If It's Inevitable



Hello and Happy Summer. **I had planned to write about the Great Opening Up and the idea that we may need to continue to have some flexibility and adaptability as we head into the Fall and wait for booster shots, the return of in-person school and**

much more travel, at least in the US. Instead, I write to you about preparing for the unexpected, but inevitable...your own passing. This month, I was unexpectedly confronted with the death of 2 men, both 57, for relatively and completely unexpected reasons. One died after 5 months of battling kidney cancer, the second died of heatstroke after gardening and a bike ride. The bike rider was a dear business colleague who was a friend, mentor and role model for his wealth management practice. I knew

him 14 years. He left a wife and 2 young adult daughters. The second was the father of a boy my oldest son was in pre-school with. I had not seen him in years. His widow has now joined the Omega Family and has 3 young adult children. **The good news is that both had planned ahead. Both left their widows with resources and at least some direction. Even with that, the losses are devastating and will take years to recover from, if ever.**

We all think that we have more time than we do. For some that might mean living to 96 instead of 100. For others, it will be much earlier than we expected or planned for. In either case...it's coming. We just don't know when. **And hence the importance of planning when it doesn't matter, when it's not a crisis.** You're more likely to remember the details that are important. You can get things organized. You can actually discuss ideas and plans, and your organizing

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system with key loved ones. You can laugh about the music you want, who not to invite to your service, and just what kind of celebration you want, even though you won't be there...at least in person.

We at Omega spend a lot of time helping you plan for the unexpected and inevitable. As we say, "we plan for the worst while you can hope for the best." Be sure to review this quarter's Planning Column for reminders on what to review, and the information & resources that you should have at your loved ones' fingertips. For those who want to be even more thoughtful and detail-oriented, check out the "Five Wishes" document in Books and Resources to provide even more specific guidance on end-of-life considerations.

One area that often doesn't get enough consideration is the day-to-day of your life. Where are your passwords? How are the bills paid? What bills are paid? **The good news is that if you are a client of Omega, we generally have a good handle on where your money is, what resources will be available and how best to access those resources. And please make sure your family knows how to reach us.** If your spouse/significant other/heirs isn't involved in the day-to-day, or **you aren't a client of Omega then it's time to get them at least a bit into the loop.** Where are your files? Who are your advisors? Write it down...don't tell people, they won't remember at a time of great loss and stress.

As a business owner, luckily we have spent some time on these considerations but I am also taking some time personally to write a narrative about the personal bill paying, more details on business considerations and what resources are available. My estate planning documents do not have bequests in them so I have left instructions for Jim so that monies get distributed to organizations I care about and he can take a tax deduction for the charities I would like money given to at my death. Everyone's wishes are different, especially as a business owner

so it's important to get things documented. **In the Business Owner's Corner, check out some basic planning that can make a big difference for any business partner or heirs.**

While most advisors focus on the mechanics and money of transition, there is a lot more to consider. I felt grateful in the last week for my special training in working with people in significant transition as I talked to both widows. They needed to tell their story, they needed to cry. Just holding the safe space and listening was probably the most important gift I could provide right now. We'll figure out the money and logistics later. **Our goal is to keep them safe, help them take time to heal, while moving at their own pace at the same time making sure the key decisions (which is not generally whether to sell the house) are addressed along the way.**

As we move through the year, we'll be refocusing on changing estate and income tax legislation, as well as closely monitoring the economy and financial markets for hints of lasting, vs. transitory inflation and potentially higher rates. For now, I am focused on savoring time with my young adult sons, and enjoying the transition to empty nesting with Jim and appreciating the opportunity to reconnect in person with my Omega teammates. And with that, I will leave you with this well-known poem...

*Life is short. And we do not have too much time to gladden the hearts of those who travel the way with us.
So be swift to love. Make haste to be kind.*

- Henri-Frederic Amiel

Thank you for letting us travel the way with you,



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President and Founder

Planning Updates



by Kathy Frakes, CFP®, CeFT®
and Andrea Brashears-Lusk, CFP®



As Lisa mentioned in her article, we all think that we have more time on this planet than we do. Although no one wants to think about it, **it's important to do what you can now to make things easier for your heirs/spouse in the event they have to handle your financial affairs.**

Here is some information that you should have available at your loved ones' fingertips in preparation for end of life planning:



An itemized inventory of your valuable items – For example jewelry, collectibles, art antiques, electronics, and equipment. As you prepare the list, add notes if someone comes to mind that you would like to have receive the item. If you find there are valuables that you want to make sure goes to a particular person, you can create a memorandum and store it with your estate documents.



Access to copies of estate documents and insurance policies - Your heirs/spouse should know where to find these documents. They should also have information on how to obtain additional copies and execute documents. It is important that estate documents and insurance policy information such as beneficiary designations are kept up to date. **If you are retired military, be sure to include all Veteran's Administration and military discharge papers. For business owners, be sure that your business agreements including buy/sell agreements are included.**



A list of contact information for health and business professionals – It's good to have a list of all professionals that you have a relationship with including their contact information. These professionals need to be notified and may need to be contacted for information or instructions regarding final affairs. This includes the **contact information for former employers from whom you receive a pension or other benefits.**



A list of all accounts with passwords and login information – Including bank accounts, retirement accounts, email, social media, and subscriptions. Any account not jointly held will need to be closed and no longer used. It is important to have login information to deactivate accounts.



A list of active memberships and subscriptions – Any memberships or subscriptions will need to be canceled to stop billing and correspondence. Also, some organizations may have accidental death life insurance benefits at no cost to their members so they should be notified of a member's passing.

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You want to make sure all of this information is easy to access and there should be directions on where to find it. **Ideally it should be in electronic format** with any hard copies in a fireproof safe or safe deposit box.

Some other helpful tips are to use financial software such as Mint or eMoney to track financial information. This will help to provide an electronic paper trail to simplify the process of tracking assets. Also, we encourage updates and regular reviews of your financial situation, especially periodic reviews of beneficiaries and estate documents.

We know that planning is a journey, not a destination. It's good to get organized while you have time to think clearly and plan ahead of an unexpected event to minimize the stressors that come along with settling the financial affairs of a loved one.

Financial Planning - Record Keeping

You may be wondering how long to keep various types of documents, e.g., tax returns, banks statements, bills. Here is what we found:

- **Tax Documents** – Keep for 7 years
- **Property Records** – At least 6 years after you sell your home
- **Mortgages and Other Loans Statements** – Keep until you have paid them off
- **Bank Records** – Keep for 3 years
- **Paycheck Stubs** – Until pay is verified on W-2 Form
- **Credit Card Receipts and Statements** – Keep for 7 years if needed to support tax deductions. Otherwise 3 years.
- **Brokerage Statements** – Until you receive the annual summary. Keep annual statements 3 years.
- **Bills** – Until payment clears or keep for life of big ticket items such as jewelry and furniture
- **Marriage Licenses, Birth Certificates, Wills, Adoption Papers, Death Certificates, Records of Paid Mortgages** – Keep Forever

Sources:

<https://www.finra.org/investors/insights/save-or-shred-how-long-you-should-keep-financial-documents>

<https://www.suzeorman.com/resources/record-keeping>

Investment Outlook



by Jared Jones, CFP®, CIMA®, CeFT®

Q2 Investment Column

Since the market lows of March 23rd, 2020, the S&P 500 has roughly doubled in a 15-month span. That's a staggeringly short amount of time. To some people this feels way too fast, and to others it may feel quaint given the outsized returns we've seen from certain stocks and asset classes.

There was endless debate a year ago over what letter shape the recovery would be – would it be a “V”, an “L”, a “K”, etc. With the benefit of hindsight, we can confidently say that this was the sharpest V recovery in history. **To be clear, this is solely in regard to the market – the economy still has a ways to go as many Americans struggle with the pandemic's ramifications. The market rebounded at a speed and pace not seen during any prior recovery.**

To put things in perspective, Ben Carlson, the writer of A Wealth of Common Sense, did some research on how long it took the S&P 500 to double in price after nasty corrections through history. Below is a table of his findings dating back to the Great Depression.

Bear Market	Bottom Date	Number of Months to Double	Number of Years to Double
-83.0%	June 1932	3	0.3
-54.5%	March 1938	63	5.3
-34.5%	April 1942	32	2.7
-26.6%	October 1946	55	4.6
-36.1%	May 1970	110	9.2
-48.2%	December 1974	61	5.1
-27.1%	August 1982	34	2.8
-33.5%	December 1987	49	4.1
-49.1%	October 2002	50	4.2
-56.8%	March 2009	23	1.9
-33.9%	March 2020	15	1.3

His conclusion from this data is that due to technology in markets, aggressive actions of the Federal Reserve, and fiscal stimulus that market cycles are speeding up, especially during big selloffs. There were multiple factors at play which facilitated the massive explosion in stocks from the bottom on March 23rd last year. The speed of both the crash and recovery this past go-around has caught a lot of people off guard.

Implicitly trusting that there is a backstop in the markets from the government and the Fed isn't the best strategy for investors. It could lead to some outsized risk taking, like what people are concerned with currently around meme stocks and some cryptocurrencies. On the other hand, it could mean that the historical 40-60% crashes that lasted 2-3 years are now 20-40% bear markets that last 6 months or a year.

With that in mind, the question for people like the clients of Omega Wealth Management is how do we design a portfolio that keeps in mind those 20-40% drops while not selling and missing the rapid recoveries that follow suit. If it's true that market cycles are moving faster, there are potential investors who will forget how painful those bad times feel and build a portfolio without crashes in mind.

The answer to the question of how to design a portfolio that keeps in mind both the good times and the bad times is of course balance. Through our Pools of Wealth, we intentionally earmark accounts for growth and accounts for preservation that balance our client's objectives. From there, there is another level of balance within individual accounts of stocks and bonds.

Right now, bonds seem like a horrible place to have your money. The Bloomberg Barclay's US Aggregate Index, which measures a mix of corporate bonds, is down -1.60%. With interest rates at rock bottom, and the risk of inflation on people's minds, the bond market hasn't fared well so far this year. However, if you look at the table above and the -33.9% (from the S&P 500) in March 2020, the purpose of bonds becomes clear. Bonds are like a regulator for cars, keeping it from running too hot. Instead of experiencing -33.9%, your portfolio went down by a fraction of that depending on your allocation to bonds. The same Bloomberg Barclay's US Aggregate Index was up 7.50% in 2020. From a strategic perspective, it's worth having bonds in any portfolio for the insurance they provide.

Equities are a much brighter picture currently. As of 6/30/21 the S&P 500, measuring the 500 largest companies in the U.S., is up 15.25% year-to-date. The Russell 2000, which includes small companies is up 17.54%.

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These are the returns we all see in the financial media and want to see on our statements. There's another important layer to equities – stocks outside of the U.S. Through the first part of 2021, the EAFE Index measuring international developed countries is up 9.17%. That number is less than the U.S., but there is an expectation that once vaccination efforts reach their potential across the globe, international stocks will be more attractive than the U.S. and we could see outperformance.

Knowing that we want to see the returns the U.S. stock markets is experiencing, but also understanding the importance of balance, what would that look like through the first part of 2021? Vanguard's Moderate Growth Composite index, a 60% equity/40% fixed income, broadly diversified portfolio, is up 7.01%. Compared to the 15+% return on U.S. stocks that's not all that impressive. However, going back to my earlier point on including bonds in your portfolio, the Moderate Growth Composite index was down -12.34% on March 23rd, 2020, compared to -33.9% for U.S. stocks. That's what balance looks like – giving up some

of the good returns in exchange for protection on the downside.

No one can predict when or at what speed the next market downturn will happen. Yet, there is a guarantee that it will happen again at some point. The real return on your money doesn't come from the first six months of 2021. It comes from having a portfolio you can stay in the markets with while the world is on fire. Because if you stayed invested, you saw a rapid appreciation on your money from the depths of March 2020. If you sold you were left wondering (and still might be wondering) on when and how to get back into the markets.

At Omega we tailor all of our clients' portfolios to their unique goals, capacity for risk, and tolerance for risk. We want to ensure our clients can meet their cash needs and allow the rest of the portfolio to weather the storm.

For a look at SEI's thoughts on the markets and economy, please visit omegawealthmanagement.com's blog for that, and our latest thinking.

2021 Year to Date Performance as of 06/30/2021 by Index:

Benchmark	Benchmark Returns YTD	Category
Dow Jones Industrial Average	+13.74%	U.S. Large Cap Stocks
S&P 500 Index	+15.25%	U.S. Large Cap Stocks
Russell 2000®	+17.54%	U.S. Small Cap Stocks
MSCI EAFE Index	+9.17%	International Stocks
Barclay's Global Aggregate Bond	+1.60%	Intermediate Term Bonds



Returning to the Office – 5 Technology Tips



With many companies re-opening their doors this summer to employees that have been working remotely as COVID restrictions ease, here are some helpful “tech tips” to keep in mind as you may be making a transition from working from home to working in the office in the coming weeks/months:

- 1. Make sure company-owned hardware and software are up-to-date, fully functional, and upgraded (if necessary).** This includes desktops, laptops, printers, routers, and other devices that can be connected wirelessly to the office's internet. Additionally, any commonly used software or programs – such as your internet browser, anti-virus software, and firewall applications. If you are not sure on how to check this information on your company-provided device, please consult your IT department for assistance.



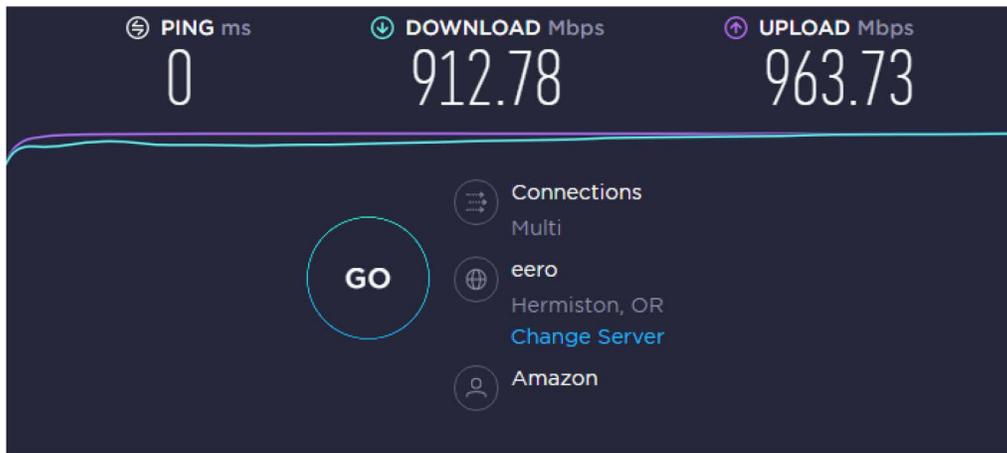
- 2. Continue to utilize collaboration programs and applications.** Tools like **Microsoft Teams, Slack and Trello have exploded in popularity during the pandemic due to their ease of use and communication efficiency between teams and departments across organizations.** Many of these applications feature up-to-date file sharing as well, increasing the overall ease of project management and remote collaboration. This makes work highly transparent and visible to everyone on the team or project, ensuring that the risk of mix-ups and miscommunications are significantly decreased. If your company has integrated this kind of software into your workspace, take full advantage of it, even when back in the office physically.

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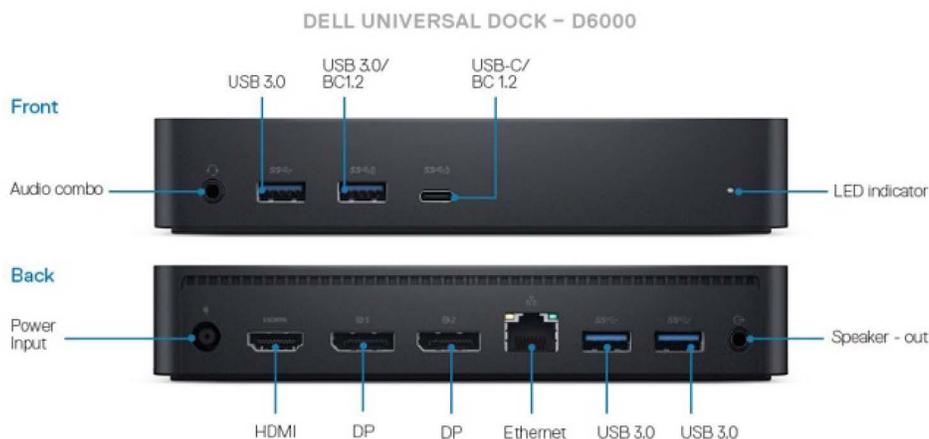
3. Check your in-office internet and connection capabilities. A year or more away from the office can result in many changes to your in-office internet connection and Wi-Fi speed, especially if it has not connected as many employees as it did prior to March 2020. It is worth checking with your IT department, and, if applicable, your company's ISP (Internet Service Provider) to determine if any changes may have occurred in your Internet package without your knowledge while employees were working remotely: confirm your Wi-Fi download and upload speed with your company's ISP, and then run your own tests separately to confirm the accuracy.

You can run a free wi-fi speed test on your internet connection here: <https://www.speedtest.net/>

Sample Test Result from www.speedtest.net:



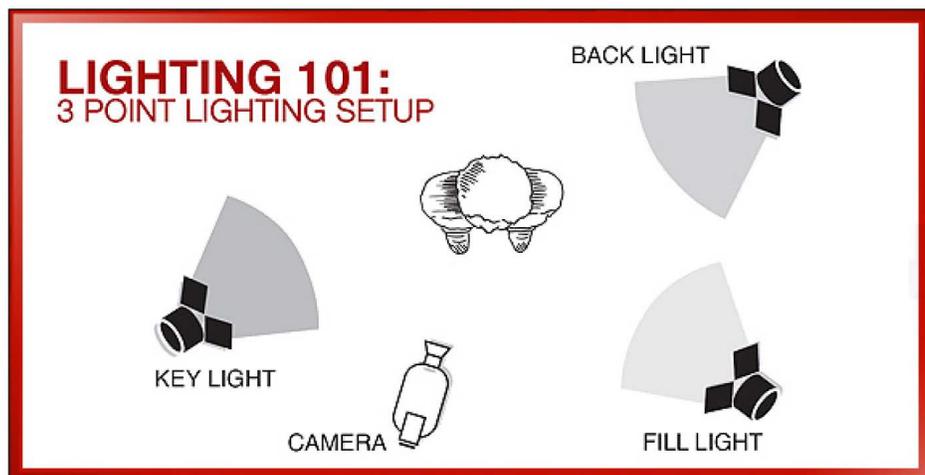
4. Consider utilizing docking stations for firm laptops. Docking stations make it easier for work laptops to be turned into “work desktops”. Our team believes that having two for your work laptop – one docking station for your work setup, and another docking station for your home setup – is ideal for both efficiency and convenience. **Save the trouble of taking your laptop home from work with all those extra cables and cumbersome external accessories by implementing docking stations into your setups.**



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5. If your company is still videoconferencing for meetings, consider improving your setup. Companies around the world realized the value that videoconferencing software and applications provided during the pandemic – though not the most ideal way to attend critical meetings and host large conferences, applications like Zoom and GoToMeeting saved us the headache of having to conduct all our interactions over the phone. Now that people are slowly transitioning to working in-office again, away from their home-office environment, their personal offices or cubicles might not provide the same clean Zoom experience compared to when they were working remotely. Here are some tips on improving your videoconference setup from the office:

- ▶ **Utilize an external webcam to connect to your office workspace**, compared to the built-in webcam that might be available on your laptop – external webcams are almost always better than built-in webcams.
- ▶ Consider using a USB-connected mic – like built-in webcams, built-in microphones are lower-quality than their external counterparts; they tend to sound tinny and produce poor vocal levels – **USB mics are a small cost to significantly improve overall sound quality in an office setup.**
- ▶ Consider using headphones – Headphones will help make your video calls and conferences better, particularly because it will minimize the chance of echo from your mic picking up the audio from your own speakers (whether the speakers are external or built-in to your laptop). **Consider in-ear headphones if you want less obvious headwear in your video image and want to keep things conservative; consider over-the-ear headphones if you need higher sound quality and are less concerned about the size of your headwear.**
- ▶ **Consider a three-point lighting set-up** – This set-up has grown in popularity since the lockdown began and companies went full-remote – it includes three separate lights or lamps that can be positioned in your office in a way that produces lighting in all viewing angles so that your video image is perfectly lit:



Sources:

<https://www.mhconsults.com/blog/top-10-tech-tips-for-returning-to-the-office-this-summer/>
<https://www.mhconsults.com/blog/enhancing-communication-a-guide-to-remote-workplace-collaboration/>
<https://techcrunch.com/2020/05/13/how-to-create-the-best-at-home-videoconferencing-setup-for-every-budget/>

SEI Investments – Registering for the online client portal AccessMyPortfolio

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:
 SHOW ⓘ
[Forgot Your Password?](#)

[Continue](#) >

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

[Login & Edit Security Profile](#) >

[Register for online access.](#) >

Help us identify your account.

All information is required

Last Name

Date of Birth (mm/dd/yyyy)
 ⓘ

First 5 Digits of ZIP Code

Last 4 Digits of Social Security Number

Email Address

[Continue](#) >

Note: If you are unsure of your user ID, please contact Andrew – andrew@omegawealthmanagement.com for assistance!

If you have technical issues or need your password reset, please call SEI's Tech Support Line:

SEI Tech Support: [Open 24/7]: [1-888-737-6953](tel:1-888-737-6953), then press 2 once dialed in for assistance.

Business Owners' Corner

Let's be honest...business owners are notorious for not thinking ahead, not focusing on their personal affairs and not doing a lot of planning for the unexpected... especially personally. I am hoping that my story at the beginning of this newsletter will shake you up a bit. **It's time to do some basic planning...NOW.** Ideally, you would have a clearly articulated, and well-funded succession plan. Ideally, you would have a coordinated estate plan that references your business, and everything is titled properly and beneficiaries reflect your wishes. Ok, so maybe you don't have all this...where to start? **Here are some basic actions that you can take to begin to tackle what can seem like an overwhelming effort:**



- **Get some basic estate documents in place** (will that references your business, Powers of Attorney (medical and financial), and Advanced Medical Directive).
- **Do you have disability and life insurance to at least basically cover the business' expenses, and provide some funding for the transition/continuity of the business?** (called business overhead-disability, and key person-life) **Even if you can't afford to fully fund the business' needs...get something in place and add to it later.**
- **If you have a business partner...you need a buy-sell agreement AND it needs to be funded with life insurance.**
- **If you do not have a business partner, and your spouse/significant other/heirs would not be capable or stepping in to run the business, then you need to put something in writing to help guide them regarding what to do with the business.** Could someone on the team run it, and buy it? Is there a company or companies that it could be sold to?

If you are feeling overwhelmed...reach out to us! We can help, we can provide resources and we can help brainstorm some of these important considerations. There is nothing worse than leaving your significant other or heirs grieving AND having to step into run your business because you didn't do any planning. **Feeling like you can't afford to focus on this because you need to focus running your business...remember my 57 year old friend who had no plans to leave the planet this month.**

OWM TEAM UPDATES



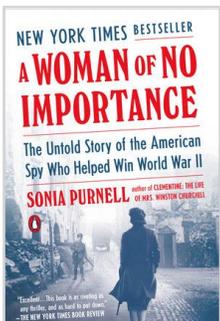
As of June 7th, **John Weber** joined Omega Wealth Management as a Financial Planning Associate. John graduated from Virginia Tech's Financial Planning program this past May and served as our virtual intern last summer. He chose to study financial planning to help others enhance their personal finance knowledge and to support those navigating life's difficult financial decisions. In his free time, John enjoys running, hiking, and traveling/off-roading.



Carol's daughter, Allyson and son-in-law, Nick had a precious baby girl, **Aurelie Rose** on June 10th, their 4th wedding anniversary. This is the first grandchild for Carol and she is so in love with this precious gift from God.

BOOKS & RESOURCES

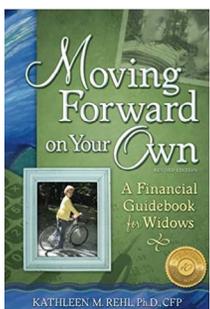
Recommended by Carol:



A Woman of No Importance - The Untold Story of the American Spy Who Helped Win World War II

by Sonia Purnell

The true story of an American woman, Virginia Hall, who lived, survived, and even excelled in the 'man's world' of espionage and war in France during World War II.



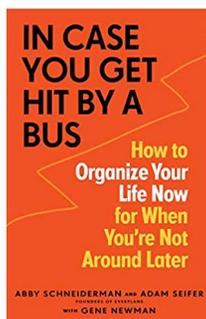
Moving Forward on Your Own: A Financial Guidebook for Widows

by Kathleen M. Rehl, PhD.

Kathleen's guidebook helps widows be more confident, knowledgeable and secure about their money matters. The book integrates basic financial information with self-reflective exercises that encourage financial self-assurance.

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BOOKS & RESOURCES

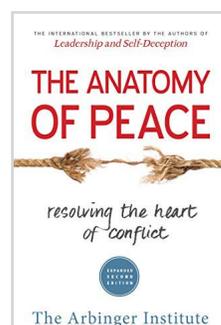


In Case You Get Hit by a Bus: How to Organize Your Life Now for When You're Not Around Later

by Abby Schneiderman and Adam Seife

A step-by-step program for getting your life in order, so you're prepared for the unexpected.

OWM Team:



The Anatomy of Peace: Resolving the Heart of Conflict

by The Arbinger Institute

Written as a fictional fable, The Anatomy of Peace reveals the core concepts that underpin relationships between humans, organizations, and nations.

Resource:

The Five Wishes

Five Wishes is a complete approach to discussing and documenting your care and comfort choices. It's about connecting families, communicating with healthcare providers, and showing your community what it means to care for one another. www.fivewishes.org

DON'T FORGET - Important Dates and Reminders

Monday, September 6th - Labor Day - OWM Closed

Saturday, October 16th - Oktoberfest - Client Event

SAVE THE DATE:

Tuesday, September 28th at 5:30 p.m.

Health & Wellness Webinar: Keeping Your Brain Young with Dr. Marc Milstein

Thursday, August 26th at 5:30 p.m.

Client Forum: Investing, Inflation and the Economy

Omega is excited to announce an upcoming series of Client Forum Events. Once per quarter Omega will hold a Zoom for all clients and friends to come for open discussions on various financial topics. We hope to provide an informal setting for people to pose questions and share their own wisdom on what's worked for them. We have an exciting lineup of topics to announce including charitable giving, tax planning, and cash flow management.

For our inaugural client forum Jared Jones and Lisa Kirchenbauer will be leading an open conversation around **Investing, Inflation, and the Economy on August 26th at 5:30PM**. We hope you can attend and bring thoughts, questions, or general wisdom on what's worked for you over time.

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