



## Managing an Inheritance

By: Chris Wayne, AIFA®

Inheriting wealth can be a burden and a blessing. Even if you have an inclination that a family member may remember you in their last will and testament, there are many facets to the process of inheritance that you may not have considered. Here are some things you may want to keep in mind if it comes to pass.

Keep in mind this article is for informational purposes only and is not a replacement for real-life advice, so consider speaking with a legal or tax professional before making any decisions regarding an inheritance.

Take your time. If someone cared about you enough to leave you an inheritance, then you may need time to grieve and cope with their loss. This is important, and many of the more major decisions about your inheritance can likely wait. You may be able to make more informed decisions once some time has passed.

Don't go it alone. There are so many laws, choices, and potential pitfalls—the knowledge an experienced professional can provide on this subject may prove critical.

Think of your own family. When an inheritance is received, it may alter the course of your own financial strategy. Be sure to take that into consideration.

The taxman may visit. If you've inherited an IRA, it is important to consider the tax implications. Under the SECURE Act, distributions to non-spouse beneficiaries are generally required to be distributed by the end of the 10th calendar year following the year of the account owner's death.

It's also important to highlight that the new rule does not require the non-spouse beneficiary to take withdrawals during the 10-year period. But all the money must be withdrawn by the end of the 10th calendar year following the inheritance. A surviving spouse of the IRA owner, disabled or chronically ill individuals, individuals who are not more than 10 years younger than the IRA owner, and children of the IRA owner who have not reached the age of majority may have other minimum distribution requirements.

Stay informed. The estate laws have seen many changes over the years, so what you thought you knew about them may no longer be correct.

Remember to do what's appropriate for your situation. While it's natural for emotion to play a part and you may wish to leave your inheritance as it is out of respect for your relative, what happens if the inheritance isn't appropriate for your financial situation? A financial professional can help determine if the inheritance fits with your overall goals, time horizon, and risk tolerance.



## Why Cash Alternatives May Not Always Be the Best Option

By Jennifer Lesmeister, AIF®

When markets are volatile, many investors move to cash and cash equivalents to avoid market risk.

While cash investments are typically a safer option, there are still risks and trade-offs to holding cash, including the impact of inflation and opportunity cost. Another risk of moving to cash is the fact that many investors need higher returns to fund their long-term goals like retirement.

Another thing to consider is the fact that cash equivalents typically pay interest and interest

income is taxed at ordinary income rates rather than the more favorable capital gains rate.

While it is prudent to have a portion of your portfolio in cash to satisfy short-term liquidity needs, it is best to think twice before moving the lion's share of your account to cash on an impulse.

While some investors feel they are being proactive and taking appropriate action by moving to cash in times of uncertainty, it is important to remember that making no changes to a portfolio is in and of itself an action.



# Value-Added Services Available at LFA

By James Schmitz

When was the last time you evaluated your entire financial picture?

Many investors view their financial plan as simply an investment portfolio. Financial planning is so much more than investment advice. LFA provides you with a variety of on-going services like:

### Financial Planning

- Comprehensive
- Investments
- College
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- Retirement/RMD's
- Social Security Strategies
- Survivor Income

### Insurance Planning

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- Disability
- Annuities
- Health
- Long Term Care
- Medicare Supplements

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- Life Insurance Trusts

We are here to help answer your questions and provide a path to retirement on your terms.

\*Coordinated with appropriate Advanced Planning Specialist (i.e., Attorney/CPA)



## Chocolate Chip Cookies with Sea Salt

**ELIZABETH POETT—THE RANCH TABLE**

Recipe makes 16 to 18 large cookies. Total time 1 hour. Active time 20 minutes.

### INGREDIENTS:

- |  |  |
|--|--|
| 1 cup (2 sticks) unsalted butter,<br>at room temperature | 2 cups all-purpose flour                                 |
| $\frac{3}{4}$ cup granulated sugar                       | 1 teaspoon baking soda                                   |
| $\frac{3}{4}$ cup lightly packed light brown sugar       | $\frac{1}{2}$ teaspoon kosher salt                       |
| 2 large eggs, at room temperature                        | 12 ounces semisweet baking chocolate,<br>roughly chopped |
| 2 teaspoons pure vanilla extract                         | Flaky sea salt, for topping the cookies                  |

### DIRECTIONS:

1. Line 2 cookie sheets with parchment paper.
  2. In a stand mixer, cream the butter, granulated sugar, and brown sugar together until the mixture looks whipped. Add the eggs one at a time, mixing on medium speed. Add the vanilla and mix for 1 minute more.
  3. In a separate bowl, mix the flour, baking soda, and kosher salt together. With the mixer on low speed, add a third of the dry mixture at a time to the wet ingredients. Mix until fully incorporated. Scrape down the sides of the bowl with a rubber spatula and mix again. Mix in the chopped chocolate with the spatula, scraping the bottom of the bowl.
  4. Use a large ice-cream scoop to form a heaping scoop of dough for each cookie. Place on the prepared sheet pans, making sure the scoops are well spaced. Cover the trays of unbaked cookies with plastic wrap and refrigerate for 30 minutes before baking.
  5. Preheat the oven to 350°F. Remove the cookies from the refrigerator and remove the plastic wrap. Top each cookie with a generous pinch of salt flakes. Bake for 10 to 12 minutes, until the cookies are just beginning to turn a light golden brown. Let sit on the cookie sheet for 2 to 3 minutes, then transfer cookies to a cooling rack.
- Enjoy!





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## Investment Performance Through June 30, 2023

CATEGORY	3 MOS	YTD	1 YEAR	5 YEAR
Large Cap Value	3.68%	4.51%	10.92%	8.11%
Large Cap Blend	7.25%	13.60%	16.98%	10.74%
Large Cap Growth	11.04%	24.31%	22.95%	11.50%
Mid Cap Value	4.00%	5.48%	11.61%	7.00%
Mid Cap Blend	4.56%	8.27%	13.98%	7.44%
Mid Cap Growth	5.80%	14.22%	17.29%	8.34%
Small Cap Value	3.80%	5.61%	11.72%	5.24%
Small Cap Blend	4.12%	7.44%	12.63%	5.25%
Small Cap Growth	5.39%	12.06%	15.19%	6.72%
Foreign	2.88%	10.92%	15.85%	3.84%
Govt. Bonds (Interm.)	-1.11%	1.51%	-1.99%	0.12%
Corp. Bonds (Interm.)	-0.83%	2.17%	-0.97%	0.62%

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*The* **LFA** *Report*

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