

Love | Ted Haley



Winter will soon be over, inevitably turning into Spring, just as January turns to February and we will inevitably see a multitude of red and pink candies and gifts in store displays. St. Valentine's Day often evokes strong emotions in people; some people love to celebrate it, and others love to purposefully not recognize it in the traditional fashion. Some even say the holiday itself is nothing but a conspiracy to sell as many greeting cards with sappy rhymes as possible.

Whatever your feeling on the holiday, it does bring to mind the concept of love. Valentine's Day is usually associated with romantic love, but we invite you to spend some time to think about all the people and things that you love in your life: partners, family, friends, pets, foods, places, and even memories.

As you know, love frequently comes up in our conversations with clients, sometimes directly and sometimes indirectly. We are often able to concretely help you plan your financial life to take care of the people and things that you love. We help you protect and plan for your loved ones through college planning, insurance planning including life and disability insurance, completing your estate planning, and monitoring your beneficiary designations. Charitable planning can help your financial plan benefit the causes that you love. The work we do now can help you achieve your long-term goals and allow you to do what you love to do, and that can mean retirement, a dream vacation or a dream house, spending more time with family, volunteering, or even finding a job that becomes a passion!

So, if it has been a while since we talked with you about the things that you love and how you can best plan your finances around your priorities, we would LOVE to hear from you!

On a personal note, our family loved experiencing the holiday season with Sebastian! We hope your holidays were wonderful as well!

Office Closures | Operations Corner

The recent record-breaking snowfall in Portland caused much of the city's operation to come grinding to a halt, as roads became impassable and businesses remained closed for several days. Because AWM values the safety of its team, we too will sometimes stay home on days where the weather prohibits safe travel to the office. But that doesn't mean that we aren't still working for you!

If no one is physically present at the office during our regular business hours, we will enable call forwarding for the office number to Bob, Ted, or Linda's cell phones. In these events, we will be operating at a reduced capacity of phone lines, so if you are unable to get through right away, please try back in a few minutes, or leave a voicemail and we will return your call as soon as possible. In large disaster situations where our phone service is knocked out for an extended period of time, Commonwealth will be available to take your calls and handle account-related inquiries.

Another good way to reach us is by email. Our computer systems are set up to allow us to work remotely, with full access to our office network and email. As always, if you do not get a response to your message within one business day, please try reaching out again. We try to respond to each email as soon as possible, so radio silence may indicate that your message was not received.

As planners, we like to practice what we preach—and this means that we have contingency plans in place for inclement weather conditions. Even with the whole of Portland at a standstill, we will always do our best to be available to you when you need us.



Tax Day

Due to Emancipation Day, Tax Day will be Monday, April 18th this year.

Corrected Form 1099s

If you have a non-retirement brokerage account with National Financial Services, it is important to be aware that you could be issued multiple Form 1099 tax documents for the 2016 tax year. These corrected documents are the result of adjustments made to the year-end financial reporting for companies you own, which causes the companies to reclassify the tax treatment of their dividend payments.

Corrected Form 1099s will begin to be issued in mid-March. Even if you receive one corrected document, it is possible that others will follow.

We encourage you to delay filing your taxes until closer to the April 18th deadline, to avoid the possibility of needing to refile your return due to a corrected 1099.

If you have any questions about your tax documents, please reach out to our office. We are here to help!

Investor 360° & Tax Reporting Software

As of January 31st, Investor 360° clients who use H&R Block® or TurboTax® software can import tax information electronically for all of their National Financial Services LLC accounts. Please note the free Federal and Deluxe editions of Turbo Tax won't work with Investor 360°, you must have the Premier or Home and Business versions.



Love Your Taxes! | Bob Haley



We sing The Star-Spangled Banner and say The Pledge of Allegiance! We love our country... except at tax time.

Remember, taxes support our Armed Forces, build our infrastructure, and maintain our waterways. Taxes provide assistance to communities which suffer from hurricanes, floods, fires, and earthquakes. Taxes make Social Security and Medicare possible. They help make America great.

On the other hand, our income tax code is – in my personal opinion – ridiculous.

Thus, if there are legal ways to reduce income taxes, we as Wealth Managers think people should take advantage of those opportunities. We help clients understand the benefits of personal and business retirement plans. The need, really, is to “optimize” contributions to these programs, rather than “maximize” them, because often there are more priorities than there are dollars available (too much month left after the bills are paid!). We help clients use tax-advantaged programs to provide college funding for their loved ones. Insurance programs have potential tax benefits beyond just the risk management protection they provide. And, as we manage investment accounts, we are always mindful of ways to optimize your net, after-tax returns. This can include attention to securities with tax-advantaged dividends, which can work well in non-IRA accounts, and securities which have no such tax efficiencies and are best positioned in IRA-types of accounts. Every time we look inside a client’s non-IRA account, we check to see if there is any “tax-loss harvesting” available. If so, we may sell Investment A and replace it with Investment B, with the expectation that we can reduce capital gain income, and in some cases reduce ordinary income as well – without affecting the basic investment strategy.

So, remember, your taxes are intended for good causes. Let’s pay our fair share – but only that amount! And then we can love our country, all year, including at tax time.



Connect with Bob



Expect the Unexpected | Ted Haley

As I look out my window much of Portland is blanketed in snow, which started off last week as beautiful and fun, but brought more snow that has lasted longer than anyone predicted, and as a result has wreaked havoc on many people’s routines and daily lives.

The picturesque disruption that the snow has brought brings to mind the saying “expect the unexpected.” Although this warning may be a cliché and paradoxical, it can also be useful as we think about events in the world and how people react to them. Snow and election results can fall in ways that take the best experts by surprise, and can result in unexpected consequences.

As ever, we suggest that in most cases we are all best served by not guessing how things will turn out or betting on any particular outcome, but instead managing our reactions and sticking to our plans. This includes rebalancing your investments and not being fearful or greedy when markets go up and down, as well as keeping extra food, water, and flashlights in your home so you can survive when a winter storm knocks out your power for days.

Since the surprising election of Donald Trump as the 45th president of the U.S.A., stock markets around the world (but especially in the U.S.) are up, growth and inflation expectations are up, interest rates are up, and bond values have dropped. Looking forward, the expectation is that the new administration will bring about changes that will allow our economy, and therefore our stock market, to continue to grow. However, results that differ from the forecasts have the potential to alter the investment landscape, perhaps dramatically.

As winter recedes we will have fewer meteorological storms to worry about, but we encourage you to contact us if you don’t feel prepared for potential bad weather in the financial markets.



Connect with Ted



Teaching Children About Money

As we raise the next generation, we want to be sure we are raising smart, independent children that make good money choices throughout their lifetimes. Here are a few tips!

- Consider giving your kids an allowance, but make them do chores to earn it! Then, once you give an allowance, allow them to spend part of it, but also make them save part of it and give a part to charity. Start their saving with a piggy bank and once they get a little older, take them on a trip to the bank and help them with opening a savings account.
- Teach teens about credit cards and how they work. Do an example calculation for a purchase to show them how much it can cost in the long run if interest accrues. Once children turn 18, they become prime targets for credit card companies.
- Encourage your children to work at part-time jobs during high school or on their summer break. Whether it's babysitting, mowing lawns, etc. it allows them to build up a savings account and buy things they want.
- Have them keep a ledger of the money they earn and spend. This can help them to see how they spend their money.
- Don't be afraid to talk to your kids honestly about money. It can be uncomfortable, but kids need to understand why you are making the spending decisions you are.
- When young adults are applying for college, be honest with them about your income and how much you can afford to put towards their education. This is why they have been saving part of their allowance and wages all these years, so they can contribute to their education too!



New AWM Website!



Click here to visit our newly redesigned website! We would love to hear your feedback! Please feel free to email us with your comments and suggestions.

 Find us on Facebook

Staff Spotlight: Becky Clevenger



Becky Clevenger, a member of the Operations team here at AWM, has somewhat of an unconventional background for someone in finance. Her time as a college undergrad was split between two majors: Computer Science and English. As a result, she often finds herself filling the role of in-house tech support, as well as copy editor for the office.

Becky works closely with the technology team at Commonwealth to build, configure, and maintain our computer systems. A cyber-security enthusiast, Becky makes sure we utilize up-to-date encryption and other safeguards to keep client information protected. She also developed and monitors two different backup systems for the office to ward off potential data loss in the event of a disaster.

When she's not tinkering with computer hardware or lecturing people on the merits of the Oxford comma, Becky likes to provide her support to causes that matter to her. Some of her favorite local organizations are Portland Opera, OMSI, and OPB. She also has fun attempting to write letters in Spanish to Soraya, her sponsored child in Ecuador.



Daylight Saving Time

Remember to set your clocks ahead one hour on Sunday, March 12th at 2:00am.

Office Closures

Presidents' Day
February 20th

Memorial Day
May 29th

Independence Day
July 4th

Labor Day
September 4th

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