B|W|F|A

Advisor

BALTIMORE - WASHINGTON FINANCIAL ADVISORS • JULY 2021

Welcome Back!

We are excited to announce that we have re-opened our office for in-person meetings!

Some things are different, but client service and safety remain our priority.

WHAT TO EXPECT:

- **As noted by the CDC, the vaccines have played a major role in curbing both infections and transmission of the virus, eliminating the need for masks.**
- **However, per county, state and CDC recommendations, masks are strongly encouraged for anyone not fully vaccinated.**
- **Hand sanitizer will be readily available.**
- **We have placed MoleKule professional-grade air purifiers throughout our office.**
- **We will limit the office capacity to allow for proper social distancing.**
- **Clients will be asked to complete a COVID-19 Screening Survey before arriving at our office.**

Last March, when we shifted to working remotely, and temporarily closed the office, we expected to be back within a short period of time. No one knew what was in store as the pandemic unfolded.

Thank you all so much for being flexible over the last year. Although we did not meet with clients face to face, our team has continued working hard behind the scenes to maintain contact and provide any assistance required.

We have missed you and are pleased to welcome you back!

We will continue to offer virtual meetings as well, for clients who prefer to meet in that manner.

Sincerely,

Robert Carpenter

President & CEO

Do you know someone who could use guidance with their investments?

Maybe you know someone who is retired or nearing retirement and could benefit from our services?

We ask you, our existing clients, to recommend our services to friends or family members that could benefit from our support.

By helping us grow our "family of clients," we get to share our passion with more people just like you.

PLEASE CONTACT MEGHAN AT MMANAS@BWFA.COM

July 2021

President's Address

IS INFLATION TRANSIENT OR STRUCTURAL?

ROBERT G. CARPENTER
President & CEO
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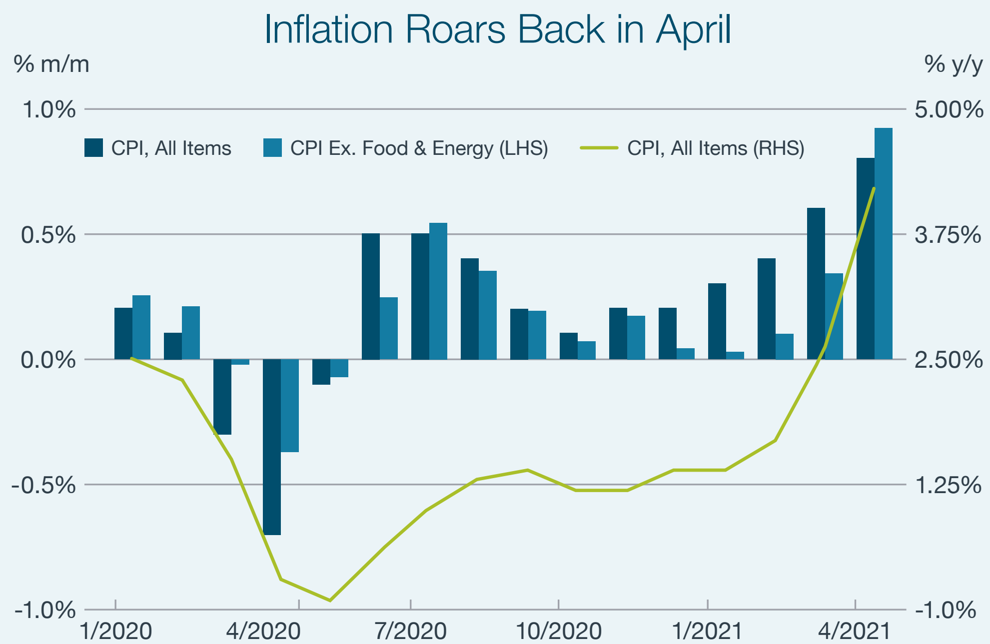
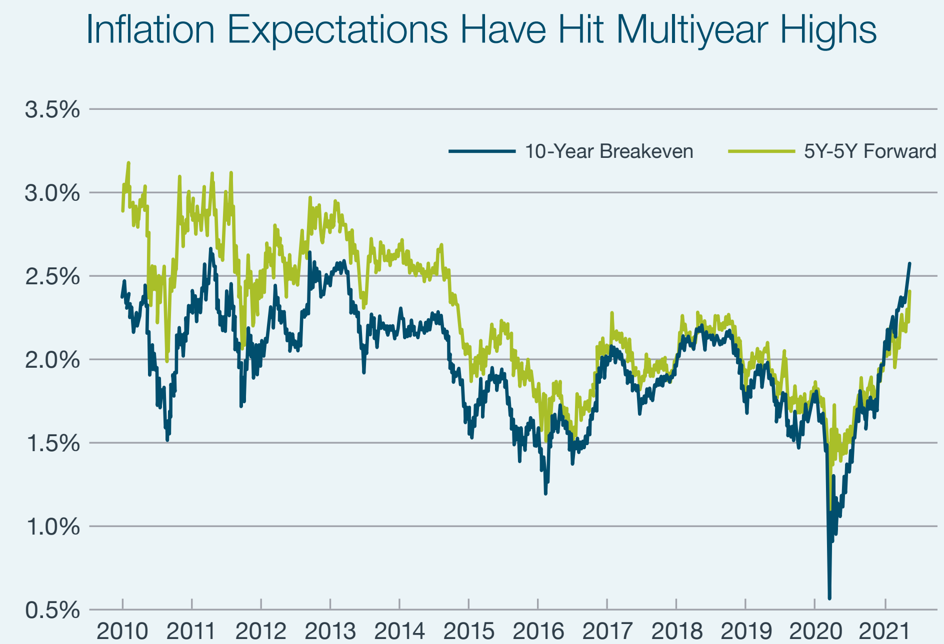
Inflation has been central to the market narrative for the first half of the year. With consumer prices surging and long-run inflation expectations at multiyear highs, we dissect whether rising inflation is technical, transient, or structural.

Investors will continue to digest the arc of inflation for the rest of 2021 with critical implications for policy as well as equity and fixed income markets.



Source: Bureau of Labor Statistics, as of May 13, 2021.



Source: Bloomberg Finance, L.P., as of May 13, 2021.

CPI SURGES IN 2021

A jump in consumer prices was widely expected in 2021, but the 0.8% gain recently reported was far above the consensus expectation of 0.2%. This pushed consumer price inflation to 4.2% year over year, a 13-year high. When food and energy were excluded, core prices surged 0.9%, the highest monthly increase in 40 years. While the magnitude was surprising, to some extent the details of the report were telegraphed well in advance.

Reopening has caused prices for airplane tickets, hotels, and rental cars (all travel-related services) to recover handily from sizable double-digit drops from March through May 2020. Used car and truck prices surged 10% in April as supply-side disruptions are limiting new car production and pushing people to buy previously owned cars. These four categories account for only 5% of the overall index but contributed about 50% of April's jump in inflation.

WHICH CAME FIRST, INFLATION OR INFLATION EXPECTATIONS?

Interestingly, market sell-off began earlier before the CPI data was reported. Aside from the monthly inflation reports, markets have been closely following the steady increase in long-run inflation expectations, which have been rising for months and peaked on Wednesday at multiyear highs. Two often-watched measures, the 10-year breakeven and the 5-year, 5-year forward, both reflect market expectations of inflation in 10 years. Both measures have been rising for months and have reached levels last seen in the early 2010s.

WAGES ENTER THE NARRATIVE

Average hourly earnings rose 0.7% in April, another sign that inflation dynamics may be shifting. I think of wages as the other side of the inflation coin — not included in personal consumption expenditures that the Fed targets, but an important part of how inflation connects to our economy. There are signs amid a growing labor supply-demand mismatch that employers are having to pay more for labor. In April, most job gains were in the leisure and hospitality industry (typically lower-paying jobs), and yet average hourly earnings rose significantly more than expected. Anecdotal evidence, for example from the Fed's Beige Book, points to companies having trouble filling job openings because supplemental unemployment benefits and plentiful cash savings are limiting workers' incentive to look for a job in the near term. There are also reports of companies now offering signing bonuses to encourage people to take jobs.

Wage inflation does not always lead to broader inflation. Indeed, the red-hot labor market of the last expansion saw wages steadily rise to close to 3.5%. One conundrum of the prior expansion — one the Fed readily admitted it didn't fully understand as it walked back rate hikes in 2018 — was that higher wages did not feed through to broader consumer inflation. And yet higher wages are higher costs for companies at a time when other input costs are also rising. It remains to be seen if companies will pass along these higher costs or tolerate some erosion in their margins.

(CONTINUE READING ON PAGE 4)

IS HIGHER INFLATION TECHNICAL, TRANSIENT, OR STRUCTURAL?

This is the central question because inflation is definitely on an upswing. There is a clear technical element: Massive lockdown-driven declines in March, April and May 2020 will cause the year-over-year calculation to surge in those same months this year. Some factors fueling CPI are also likely transient. The gain in used car prices is due to the semiconductor chip shortage creating a drag on new car production. Cash-rich consumers eager to buy a car as reopening intensifies have had to pivot to used cars, and prices reflect that increased demand. This particular supply chain could take some months to resolve, but the price jump is widely expected to prove transient. Finally, commodity prices continue to climb. There are outsized examples of this, like lumber prices, but the broader uptrend is notable, as the producer price index data showed for April.

The structural picture, for the first time in a long time, is cloudier. Since the late 1980s, inflation in the U.S. has been trending lower. Globalization in the 1990s caused goods prices and wages to fall. Structurally low U.S. GDP growth has also reinforced a lower inflationary trend. Over decades, we have observed sliding inflation working itself into inflation expectations as exhibited by market measures, economic models, and consumer and business surveys.

But our economy is in an unexpected place, and our recovery has only just begun. We may yet see changes to our economy that we are only beginning to understand, including shifts in labor and consumption trends that could change pricing power. Even if these changes help arrest structural disinflation, it would have enormous implications for investors.

IT MAY NOT JUST BE ABOUT INFLATION

Recent market decline has been linked to concerns about inflation, but there may be other dynamics at play. The consensus forecast is for Q2 GDP to grow 8.1%, the strongest quarter in 2021 (and likely for years to come). From here, growth is expected to remain strong but decelerate. That's the word I keep returning to as I get more granular in my outlook for 2022: Deceleration. Deceleration of M2, which has surged. Deceleration of growth, of monetary policy support for our economy and, most likely, of earnings and revenue growth. To be clear, the consensus is for GDP growth of 4.0% in 2022, basically another blockbuster. But right now, we are halfway through the second quarter — the fastest quarter for growth. This is it. Markets may be starting to grasp that the roaring 2021 party that has pushed valuations to stratospheric levels may be starting to wind down, albeit slowly and from a tremendous pace.

WHAT DOES THIS MEAN FOR FED POLICY?

For financial markets, connecting the dots from higher inflation to weaker equity market performance usually runs through Fed rate hike expectations. Higher inflation, in theory, means the Fed could raise rates, which would be negative for the economy and equities. Interestingly, last week Fed rate hike expectations barely budged. There is strong consensus that a Fed rate hike is years away, and the 3-year overnight index swap (OIS) rate, a fair proxy for long-run Fed funds expectations, has been little changed from last week. To me, this rightly reflects the fact that the Fed is more focused on the employment side of the equation; with the unemployment rate high and millions still out of work, the Fed is going to err on the side of support for the economy.

At some point, however, higher inflation will lead to higher long-term rates. We witnessed fixed income investors load up on duration for years as rates fell. But a similar case could be made for equity markets as interest rates fell below 2.00%. Low interest rates have supercharged valuations as the discount rate of future earnings has compressed. Concerns about rising long-term rates could be enough to weigh on equity markets, even without the imminent threat of Fed rate hikes.

> Our economy is in an unexpected place, and our recovery has only just begun. We may yet see changes to our economy that we are only beginning to understand, including shifts in labor and consumption trends that could change pricing power.

WHAT DOES THIS ALL MEAN FOR MARKETS?

So far, U.S. Treasury yields have greeted this surge in long-run inflation expectations with a yawn. Clearly, Fed asset purchases continue to hold long-term rates lower, and the Fed has signaled it isn't likely to taper asset purchases until next year. The rise in inflation expectations has meant real rates — the long-run return on risk — have fallen even deeper into negative territory. The "lower for longer" theme has dominated the income side of investments for years, and the Barclays Agg just finished its worst quarter since 1981. For income-seeking investors, finding a way to manage this low-yield landscape is going to be a necessity for years.

KEY TAKEAWAY

Inflation is rising. Technical factors are certainly at play and supply-side disruptions are contributing, although so far, they seem temporary. But other factors, including higher input prices and commodity prices as well as early signs of some upward wage pressure, could create a "perfect storm" to offset the structural forces that have pushed inflation lower for decades.

Long-run inflation expectations have moved enough to get the market's attention, and rightly so. Inflation is one of the obvious threats to our nascent recovery. An overheating economy is fertile ground for a sustained acceleration in inflation, which could force policymakers to slow the economy down — a story which rarely has a successful conclusion. We are far away from the sustained higher inflationary data of that scenario. For now, inflation concerns seem to be dark clouds that roll in but quickly recede. Equity markets are hovering near record highs, after all, and we expect a good year for the economy. But our economy is hardly facing a normal early expansion. If planted in enough places, inflation could grow faster than we think. We continue to diversify our portfolios and look for the strongest companies in the world to be at the core of our clients portfolios.

Robert Carpenter

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SOURCE:
Higher inflation: Technical, transient or structural?
by Lara Rhame, May 14, 2021

Financial Planning

UNDERSTANDING YOUR CREDIT REPORT

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Your credit report contains information about your past and present credit transactions. It's used primarily by potential lenders to evaluate your creditworthiness.

So if you're about to apply for credit, especially for something significant like a mortgage, you'll want to get and review a copy of your credit report.

YOU CAN SEE WHAT THEY SEE: GETTING A COPY OF YOUR CREDIT REPORT

Every consumer is entitled to a free credit report every 12 months from each of the three credit bureaus: **Experian**,**TransUnion**, and **Equifax**. Besides the annual report, you are also entitled to a free report under the following circumstances:

- **A company has taken adverse action against you, such as denying you credit, insurance, or employment (you must request a copy within 60 days of the adverse action)**
- **You're unemployed and plan to look for a job within the next 60 days**
- **You're on welfare**
- **Your report is inaccurate because of fraud, including identity theft**

Visit **annualcreditreport.com** for more information.

WHAT'S IT ALL ABOUT?

Your credit report usually starts off with your personal information: your name, address, Social Security number, telephone number, employer, past address and past employer, and (if applicable) your spouse's name. Check this information for accuracy; if any of it is wrong, correct it with the credit bureau that issued the report.

The bulk of the information in your credit report is account information. For each creditor, you'll find the lender's name, account number, and type of account; the opening date, high balance, present balance, loan terms, and your payment history; and the current status of the account. You'll also see status indicators that provide information about your payment performance over the past 12 to 24 months. They'll show whether the account is or has been past due, and if past due, they'll show how far (e.g., 30 days, 60 days). They'll also indicate charge-offs or repossessions. Because credit bureaus collect information from courthouse and registry records, you may find notations of bankruptcies, tax liens, judgments, or even criminal proceedings in your file.

At the end of your credit report, you'll find notations on who has requested your information in the past 24 months. When you apply for credit, the lender requests your credit report--that will show up as an inquiry. Other inquiries indicate that your name has been included in a creditor's prescreen program. If so, you'll probably get a credit card offer in the mail.

> Generally speaking, a lender feels safer assuming that you can be trusted to make timely monthly payments against your debts in the future if you have always done so in the past. A history of late payments or bad debts will hurt you.

You may be surprised at how many accounts show up on your report. If you find inactive accounts (e.g., a retailer you no longer do business with), you should contact the credit card company, close the account, and ask for a letter confirming that the account was closed at the customer's request.

BASING THE FUTURE ON THE PAST

What all this information means in terms of your creditworthiness depends on the lender's criteria. Generally speaking, a lender feels safer assuming that you can be trusted to make timely monthly payments against your debts in the future if you have always done so in the past. A history of late payments or bad debts will hurt you. Based on your track record, a new lender is likely to turn you down for credit or extend it to you at a higher interest rate if your credit report indicates that you are a poor risk.

Too many inquiries on your credit report in a short time can also make lenders suspicious. Loan officers may assume that you're being turned down repeatedly for credit or that you're up to something — going on a shopping spree, financing a bad habit, or borrowing to pay off other debts. Either way, the lenders may not want to take a chance on you.

Your credit report may also indicate that you have good credit, but not enough of it. For instance, if you're applying for a car loan, the lender may be reviewing your credit report to determine if you're capable of handling monthly payments over a period of years. The lender sees that you've always paid your charge cards on time, but your total balances due and monthly payments have been small. Because the lender can't predict from this information whether you'll be able to handle a regular car payment, your loan is approved only on the condition that you supply an acceptable cosigner.

CORRECTING ERRORS ON YOUR CREDIT REPORT

Under federal and some state laws, you have a right to dispute incorrect or misleading information on your credit report. Typically, you'll receive with your report either a form to complete or a telephone number to call about the information that you wish to dispute. Once the credit bureau receives your request, it generally has 30 days to complete a reinvestigation by checking any item you dispute with the party that submitted it. One of four things should then happen:

- **The credit bureau reinvestigates, the party submitting the information agrees it's incorrect, and the information is corrected**
- **The credit bureau reinvestigates, the party submitting the information maintains it's correct, and your credit report goes unchanged**
- **The credit bureau doesn't reinvestigate, and so the disputed information must be removed from your report**
- **The credit bureau reinvestigates, but the party submitting the information doesn't respond, and so the disputed information must be removed from your report**

You should be provided with a report on the reinvestigation within five days of its conclusion. If the reinvestigation resulted in a change to your credit report, you should also get an updated copy.

You have the right to add to your credit report a statement of 100 words or less that explains your side of the story with respect to any disputed but unchanged information. A summary of your statement will go out with every copy of your credit report in the future, and you can have the statement sent to anyone who has gotten your credit report in the past six months. Unfortunately, though, this may not help you much — creditors often ignore or dismiss these statements.

It's always a wise practice to review your credit report regularly and make sure there are no errors that could negatively affect your financial well being.

Financial Planning

NONQUALIFIED DEFERRED COMPENSATION (NQDC) PLANS: A PRIMER FOR BUSINESS OWNERS

CHRIS KELLY | CPA, CFP®, M. ACCY
Financial Advisor, Portfolio Manager & Executive Manager
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A nonqualified deferred compensation (NQDC) plan is an arrangement between an employer and one or more employees to defer the receipt of currently earned compensation.

You might want to establish a NQDC plan to provide your employees with benefits in addition to those provided under your qualified retirement plan, or to provide benefits to particular employees without the expense of a qualified plan.

NQDC PLANS VS. QUALIFIED PLANS

A qualified plan, such as a profit-sharing plan or a 401(k) plan, can be a valuable employee benefit. A qualified plan provides you with an immediate income tax deduction for the amount of money you contribute to the plan for a particular year. Your employees aren't required to pay income tax on your contributions until those amounts are actually distributed from the plan. However, in order to receive this beneficial tax treatment, a qualified plan must comply with strict and complex ERISA and IRS rules, and the plan must generally cover a large percentage of your employees.

In addition, qualified plans are subject to a number of limitations on contributions and benefits. These limitations have a particularly harsh effect on your highly paid executives.

In contrast, NQDC plans can be structured to provide the benefit of tax deferral while avoiding almost all of ERISA's burdensome requirements. There are no dollar limits that apply to NQDC plan benefits (although compensation must generally be reasonable in order to be deductible). And you can provide benefits to your highly compensated employees without having to provide similar benefits to your rank and file employees.

FUNDED VS. UNFUNDED NQDC PLANS

NQDC plans fall into two broad categories — funded and unfunded. A NQDC plan is considered funded if you have irrevocably and unconditionally set aside assets with a third party (e.g., in a trust or escrow account) for the payment of NQDC plan benefits, and those assets are beyond the reach of both you and your creditors. In other words, if participants are guaranteed to receive their benefits under the NQDC plan, the plan is considered funded.

You might consider establishing a funded plan if your employees are concerned that their plan benefits might not be paid in the future due to a change in your financial condition, a change in control, or your change of heart. Because the assets in a funded plan are beyond your reach, and the reach of your creditors, these plans provide employees with maximum security that their benefits will eventually be paid. Funded plans are rare, though, because they provide only limited opportunity for tax deferral and may be subject to all of ERISA's requirements.

Unfunded plans are by far more common because they can provide the benefit of tax deferral while avoiding almost all of ERISA's requirements. With an unfunded plan, you don't formally set aside assets to pay plan benefits. Instead, you either pay plan benefits out of current cash flow ("pay-as-you-go") or you earmark property to pay plan benefits ("informal funding"), with the property remaining part of your general assets and subject to the claims of your general creditors. You can set up a trust ("rabbi trust") to hold plan assets, but those assets must remain subject to any claims of your bankruptcy and insolvency creditors. A rabbi trust can protect your employees against your change of heart or change in control, but not against a change in your financial condition leading to bankruptcy.

In order to achieve the dual goals of tax deferral and avoidance of ERISA, your NQDC plan must be both unfunded and maintained solely for a select group of management or highly compensated employees. These unfunded NQDC plans are commonly referred to as "top-hat" plans.

While there is no formal legal definition of a "select group of management or highly compensated employees," it generally means a small percentage of the employee population who are key management employees or who earn a salary substantially higher than that of other employees.

INCOME TAX CONSIDERATIONS

Generally you can't take a tax deduction for amounts you contribute to a NQDC plan until your participating employees are taxed on those contributions (which can be years after your contributions have been made to the plan).

Employees generally don't include your contributions to an unfunded NQDC plan, or plan earnings, in income until benefits payments are actually received from the NQDC plan. The taxation of funded NQDC plans is more complex. In general, your employees must include your contributions in taxable income as soon as they become nonforfeitable (i.e., as soon as they vest). The taxation of plan earnings depends on the structure of the plan; in some cases employees must include earnings in taxable income currently, and in some cases they aren't taxed until they're actually paid from the plan.

WHO CAN ADOPT A NQDC PLAN?

NQDC plans are suitable only for regular (C) corporations. In S corporations or unincorporated entities (partnerships or proprietorships), business owners generally can't defer taxes on their shares of business income. However, S corporations and unincorporated businesses can adopt NQDC plans for regular employees who have no ownership in the business.

NQDC plans are most suitable for employers that are financially sound and have a reasonable expectation of continuing profitable business operations in the future. In addition, since NQDC plans are more affordable to implement than qualified plans, they can be an attractive form of employee compensation for a growing business that has limited cash resources.

(CONTINUE READING ON PAGE 10)

In order to achieve the dual goals of tax deferral and avoidance of ERISA, your NQDC plan must be both unfunded and maintained solely for a select group of management or highly compensated employees.

(CONT'D FROM PAGE 9) Nonqualified Deferred Compensation (NQDC) Plans

TYPES OF PLANS

Because a NQDC plan is essentially a contract between you and your employee, there are almost unlimited variations. Most common are deferral plans and supplemental executive retirement plans (also known as SERPs). In a deferral plan your employee defers the payment of current compensation (e.g., salary or bonus) to a future date. A SERP is typically designed to supplement your employee's qualified plan benefits (for example, by providing additional pension benefits).

HOW TO IMPLEMENT A NQDC PLAN

An ERISA lawyer can guide you through the maze of legal and tax requirements, and draft the plan document. Often the board of directors or compensation committee must approve the plan. Your accountant or consulting actuary can help you decide how to finance the plan. If you choose an unfunded plan, almost all that ERISA requires is that you send a simple statement to the Department of Labor informing them of the existence of the plan, and the number of participants.

ADVANTAGES OF NQDC PLANS

- Easier and less expensive to implement and maintain than a qualified benefit plan
- Can be offered on a discriminatory basis
- Can provide unlimited benefits
- Allows you to control timing and receipt of benefits
- Enables you to attract and retain key employees

DISADVANTAGES OF NQDC PLANS

- Employee taxation controls timing of your tax deduction
- Lack of security for employees in an unfunded plan
- Generally, not appropriate for partnerships, sole proprietorships, and S corporations
- Generally, more costly to employer than paying compensation currently

BWFA *In the Community*

BWFA IS A PROUD SUPPORTER OF BRIDGES

CORTNEY CARONNA
Client Associate
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BRIDGES to Housing Stability

BWFA is proud to support Bridges to Housing Stability throughout the year.

Bridges mission is to provide a path to self-sufficiency to prevent and end homelessness through affordable housing solutions and advocacy in Howard County, MD.

BWFA was the VIP Sponsor of Bridges' *Second Annual Heroes for Housing* Celebration held virtually on April 26th to honor members of our community who have committed time and resources to prevent and end homelessness in Howard County.

BWFA also sponsored Bridges' *Taste of Wine, Splash of Charity* event held on June 10th at Iron Bridge Wine Company. The event included a 5 course meal with wine pairings as well as an array of silent auction items.

Bridges believes that housing is the key to a household's stability. Whether resolving the issue of homelessness or preventing a household from becoming homeless, their goal goes beyond crisis intervention – their approach focuses on long term housing stability. "Baltimore-Washington Financial Advisors is among our strongest advocates working to empower our community and help each of its members thrive."

Whether resolving the issue of homelessness or preventing a household from becoming homeless, Bridges goal goes beyond crisis intervention – their approach focuses on long term housing stability.

(Top) Rob Carpenter with Bridges' Executive Director Jen Broderick. (Middle) Recent events BWFA was honored to Sponsor. (Bottom) Sandy Hornor presenting during the "Heroes for Housing" event.

Bon Appétit!

CONCOCTED CONFECTIONS

In Loving Memory & Celebration of Millicent Kennedy

Please enjoy these recipes from Millicent's cookbook "Concocted Confections".

Cranberry Bread

INGREDIENTS

1 orange
2 tbs butter
2 tbs sour cream
1 cup sugar
1 cup chopped cranberries
1/2 cup chopped walnuts
2 cups flour
1/2 tsp salt
1 tsp baking soda
1 tsp baking powder

DIRECTIONS

Grate the rind of the orange. Squeeze the juice and add enough boiling water to make 3/4 cup liquid. Add the grated rind. Add butter. Stir to melt the butter. In another bowl beat sour cream and sugar and stir into the orange mixture. Add cranberries and walnuts. Sift and add flour, salt, baking powder, and baking soda. Spoon into a buttered loaf pan 9"x3". Bake 1 hour at (325º).

Good Fudge Brownies

INGREDIENTS

Melt together over hot water:
2 squares unsweetened baking chocolate
1/3 cup shortening

Beat in:
1 cup sugar
2 eggs

Sift together and stir in:
3/4 cup sifted flour
1/2 tsp baking powder
1/2 tsp salt

Mix in:
1/2 cup broken nuts

DIRECTIONS

Spread in well greased 8" square pan. (Recipe may be doubled in which case use 9"x13" pan.) Bake at (350º) 30-35 minutes or until top has dull crust. A slight imprint will remain when touched with finger. Cool–cut into squares.

Chocolate Nut Squares

INGREDIENTS

2/3 cup butter
1 cup brown sugar
1-1/2 cups flour
1-1/4 cups rolled oats
1 cup chopped pecans
1 cup chocolate bits
1/2 tsp salt

DIRECTIONS

Cream the butter until very soft. Add brown sugar and cream thoroughly. Sift the flour and salt together and add. Work the flour and rolled oats into the butter mixture. This mixture should be very stiff and quite dry. Turn half the mixture into a well greased and floured pan 6"x10" and press into place with the hand until the layer is flat and firm. Sprinkle the layer with chocolate and nuts and add the rest of the mixture and press into place. Bake in moderate oven (375º), for 30 minutes. Cut at once into narrow squares.

Eve Kennedy's BWFA BOOK NOOK

I have thoroughly enjoyed hosting the BWFA Book Club!

As we celebrate over 4 years as a book club, I look forward to the thoughtful discussions, learning experiences, and the time we share together. Over the past year, books have been such an important part of our lives. They have been helping us stay safe at home while allowing us to set forth on adventures we would not have even dreamed of.

Our next discussion of ***One Hundred Years of Solitude***, by Gabriel Garcia Marquez is scheduled for July 15, 2021.

I am fortunate to have a wonderful Independent Book Store, **The Ivy**, within walking distance from my house. If you have a local bookstore that you would like to support, take a moment to find out how they are still able to serve you safely during this time. The **#IndieBookstoreChallenge** on social media is giving a voice to the stores that have been struggling during this time. If you would like recommendations beyond the titles included in our list, your local bookstore can be a great resource for suggestions! Your local library is also a great source!

As always, the BWFA Book Club welcomes ALL to join and we encourage your suggestions as well, email them to **ekennedy@bwfa.com.**

I hope you will join us for one of our discussions this year! Happy Summer Reading!

EVE KENNEDY
Senior Client Associate
& BWFA Book Club
Discussion Host

B|W|F|A
BOOK CLUB

Some Recommended Summer Reads

The Library Book
by Susan Orlean

A Woman of No Importance: The Untold Story of the American Spy Who Helped Win WWII
by Sonia Purnell

A Gentleman in Moscow
by Amor Towles

The Nickel Boys
by Colson Whitehead

News of the World
by Paulette Jiles

In Five Years
by Rebecca Serle

Defending Jacob
by William Landay

Russian Tatto
by Elena Gorokhova

Ford County
by John Grisham

In Five Years
by Rebecca Serle

The Overstory
by Richard Powers

The Nickel Boys
by Colson Whitehead

The Alice Network
by Kate Quinn

The Children of Ash and Elm
by Neil Price

American Dirt
by Jeanine Cummins

Truevine by Beth Macy

The Giver of Stars
by Jojo Moyes

All the Ugly and Wonderful Things
by Bryn Greenwood

The Vanishing Half
by Brit Bennett

The Midnight Library
by Matt Haig

In the Garden of Beasts
by Erik Larson

Evicted: Poverty and Profit in the American City
by Matthew Desmond

The Black Butterfly: The Harmful Politics of Race and Space in America
by Lawrence T. Brown

Yearbook
by Seth Rogen

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BWFA is One of *Baltimore Magazine's* "Leaders in Finance 2021".

Check out our feature in the May edition: **lnkd.in/d6PiZ5M**

LEADERS IN FINANCE

B|W|F|A

BALTIMORE-WASHINGTON FINANCIAL ADVISORS

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ROBERT CARPENTER
President and CEO

Founded in 1986, Baltimore-Washington Financial Advisors is among the area's largest and oldest independent, fee-only advisory firms, and is led by Rob Carpenter, who has held management positions at some of the country's largest wealth-management firms. He brings expertise in financial and estate planning, trust services, tax services, and mergers and acquisitions.

"At BWFA, we value long-term relationships," says Carpenter, who also has served on many nonprofit boards in the region. "On average, we meet with each of our clients five times a year, and, in many cases, we're working within three generations of the same family. We also encourage clients to engage with our wide range of webinars and seminar topics, including Social Security, Medicare, and special-needs planning."

The firm's accolades include the *Financial Times* Top 300 Award for seven years in a row, *Howard Magazine's* "Best of Howard" Award for six years in a row, and the *Forbes* Leading Financial Advisor list.

Investment Management

UNDERSTANDING IRAs

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Portfolio Manager, CIO & Executive Manager
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An individual retirement arrangement (IRA) is a personal savings plan that offers specific tax benefits. IRAs are one of the most powerful retirement savings tools available to you.

Even if you're contributing to a 401(k) or other plan at work, you may want to consider investing in an IRA.

WHAT TYPES OF IRAS ARE AVAILABLE?

The two major types of IRAs are traditional IRAs and Roth IRAs. Both allow you to contribute as much as $6,000 in 2021 (unchanged from 2020), but you must have at least as much taxable compensation as the amount of your IRA contribution. If you are married filing jointly, your spouse can also contribute to an IRA, even if he or she does not have taxable compensation. The law also allows taxpayers age 50 and older to make additional "catch-up" contributions. These folks can contribute an additional $1,000 in 2021 (unchanged from 2020).

Both traditional and Roth IRAs feature tax-sheltered growth of earnings. And both give you a wide range of investment choices. However, there are important differences between these two types of IRAs. Understanding these differences is key to choosing the type of IRA that may be appropriate for you.

NOTE: Special rules apply to certain reservists and national guardsmen called to active duty after September 11, 2001.

LEARN THE RULES FOR TRADITIONAL IRAS

Practically anyone can open and contribute to a traditional IRA. The only requirement is that you must have taxable compensation. You can contribute the maximum allowed each year as long as your taxable compensation for the year is at least that amount. If your taxable compensation for the year is below the maximum contribution allowed, you can contribute only up to the amount that you earned.

Your contributions to a traditional IRA may be tax deductible on your federal income tax return. This is important because tax-deductible (pre-tax) contributions lower your taxable income for the year, saving you money in taxes. If neither you nor your spouse is covered by a 401(k) or other employer-sponsored plan, you can generally deduct the full amount of your annual contribution.

If one of you is covered by such a plan, your ability to deduct your contributions depends on your annual income (modified adjusted gross income, or MAGI) and your income tax filing status.

For 2021, if you are covered by a retirement plan at work and:

- **Your filing status is single or head of household, and your MAGI is $66,000 or less, your traditional IRA contribution is fully deductible. Your deduction is reduced if your MAGI is more than $66,000 and less than $76,000, and you can't deduct your contribution at all if your MAGI is $76,000 or more.**
- **Your filing status is married filing jointly or qualifying widow(er), and your MAGI is $105,000 or less, your traditional IRA contribution is fully deductible. Your deduction is reduced if your MAGI is more than $105,000 and less than $125,000, and you can't deduct your contribution at all if your MAGI is $125,000 or more.**
- **Your filing status is married filing separately, your traditional IRA deduction is reduced if your MAGI is less than $10,000, and you can't deduct your contribution at all if your MAGI is $10,000 or more.**

Practically anyone can open and contribute to a traditional IRA. The only requirement is that you must have taxable compensation. You can contribute the maximum allowed each year as long as your taxable compensation for the year is at least that amount.

For 2021, if you are not covered by a retirement plan at work, but your spouse is, and you file a joint tax return, your traditional IRA contribution is fully deductible if your MAGI is $198,000 or less. Your deduction is reduced if your MAGI is more than $198,000 and less than $208,000, and you can't deduct your contribution at all if your MAGI is $208,000 or more.

What happens when you start taking money from your traditional IRA? Any portion of a distribution that represents deductible contributions is subject to income tax because those contributions were not taxed when you made them. Any portion that represents investment earnings is also subject to income tax because those earnings were not previously taxed either. Only the portion that represents nondeductible, after-tax contributions (if any) is not subject to income tax.

In addition to income tax, you may have to pay a 10% early withdrawal penalty if you're under age 59½, unless you meet one of the exceptions.

If you wish to defer taxes, you can leave your funds in the traditional IRA, but only until April 1 of the year following the year you reach age 72. That's when you have to take your first required minimum distribution (RMD) from the IRA. After that, you must take a distribution by the end of every calendar year until you die or your funds are exhausted. The annual distribution amounts are based on a standard life expectancy table and your previous year-end combined account balances. You can always withdraw more than you're required to in any year. However, if you withdraw less, you'll be hit with a 50% penalty on the difference between the required minimum and the amount you actually withdraw.

LEARN THE RULES FOR ROTH IRAS

Not everyone can set up a Roth IRA. Even if you can, you may not qualify to take full advantage of it. The first requirement is that you must have taxable compensation. If your taxable compensation in 2021 is at least $6,000, you may be able to contribute the full amount. But it gets more complicated. Your ability to contribute to a Roth IRA in any year depends on your MAGI and your income tax filing status.

- **If your filing status is single or head of household, and your MAGI for 2021 is $125,000 or less, you can make a full contribution to your Roth IRA. Your Roth IRA contribution is reduced if your MAGI is more than $125,000 and less than $140,000, and you can't contribute to a Roth IRA at all if your MAGI is $140,000 or more.**
- **If your filing status is married filing jointly or qualifying widow(er), and your MAGI for 2021 is $198,000 or less, you can make a full contribution to your Roth IRA. Your Roth IRA contribution is reduced if your MAGI is more than $198,000 and less than $208,000, and you can't contribute to a Roth IRA at all if your MAGI is $208,000 or more.**
- **If your filing status is married filing separately, your Roth IRA contribution is reduced if your MAGI is less than $10,000, and you can't contribute to a Roth IRA at all if your MAGI is $10,000 or more.**

(CONTINUE READING ON PAGE 18)

Your contributions to a Roth IRA are not tax deductible. You can invest only after-tax dollars in a Roth IRA. The good news is that if you meet certain conditions, your withdrawals from a Roth IRA will be completely income tax free, including both contributions and investment earnings. To be eligible for these qualifying distributions, you must meet a five-year holding period requirement. In addition, one of the following must apply:

- **You have reached age 59½ by the time of the withdrawal**
- **The withdrawal is made because of disability**
- **The withdrawal is made to pay first-time home buyer expenses ($10,000 lifetime limit)**
- **The withdrawal is made by your beneficiary or estate after your death**

Qualified distributions will also avoid the 10% early withdrawal penalty. This ability to withdraw your funds with no taxes or penalties is a key strength of the Roth IRA. And remember, even nonqualified distributions will be taxed (and possibly penalized) only on the investment earnings portion of the distribution, and then only to the extent that your distribution exceeds the total amount of all contributions that you have made.

Another advantage of the Roth IRA is that there are no required distributions after age 72 or at any time during your life. You can put off taking distributions until you really need the income. Or, you can leave the entire balance to your beneficiary without ever taking a single distribution.*

CHOOSE THE RIGHT IRA FOR YOU

Assuming you qualify to use both, which type of IRA is best for you? Sometimes the choice is easy. The Roth IRA will probably be a more effective tool if you don't qualify for tax deductible contributions to a traditional IRA. However, if you can deduct your traditional IRA contributions, the choice is more difficult. Most professionals believe that a Roth IRA will still give you more bang for your dollars in the long run, but it depends on your personal goals and circumstances. The Roth IRA may very well make more sense if you want to minimize taxes during retirement and preserve assets for your beneficiaries. But a traditional deductible IRA may be a better tool if you want to lower your yearly tax bill while you're still working (and probably in a higher tax bracket than you'll be in after you retire). A financial professional or tax advisor can help you pick the right type of IRA for you.

NOTE: You can have both a traditional IRA and a Roth IRA, but your total annual contribution to all of the IRAs that you own cannot be more than $6,000 in 2021 ($7,000 if you're age 50 or older).

KNOW YOUR OPTIONS FOR TRANSFERRING YOUR FUNDS

You can move funds from an IRA to the same type of IRA with a different institution (e.g., traditional to traditional, Roth to Roth). No taxes or penalty will be imposed if you arrange for the old IRA trustee to transfer your funds directly to the new IRA trustee. The other option is to have your funds distributed to you first and then roll them over to the new IRA trustee yourself. You'll still avoid taxes and penalty as long as you complete the rollover within 60 days from the date you receive the funds.

You may also be able to convert funds from a traditional IRA to a Roth IRA. This decision is complicated, however, so be sure to consult a tax advisor. He or she can help you weigh the benefits of shifting funds against the tax consequences and other drawbacks.

NOTE: The IRS has the authority to waive the 60-day rule for rollovers under certain limited circumstances, such as proven hardship.

The tax advisors at BWFA are available to discuss any questions you may have.

Business Services

3 THINGS WEALTHY BUSINESS OWNERS DO DIFFERENTLY

BRIAN MACMILLAN
Managing Director Mergers & Acquisitions
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Much is made of analyzing the personality traits of successful entrepreneurs.

Some appear outgoing. Others are introverts. Some lean right, others left. Some are flashy. Others are monk-like with their money.

Their diversity can lead one to the conclusion that there are no common personality traits among successful founders.

Rather than trying to understand who they are, let's look at *what they do*.

1. THEY READ BUSINESS BOOKS.

The most successful business owners are voracious consumers of business content. When a new business book hits the bestseller list, most have either read it or summarized its central point.

It's not just the printed word. Many get information through audiobooks, webinars, or podcasts, others via YouTube.

The actual medium is less important to these successful founders. What's consistent is their continuous learning pattern and the desire to leverage other people's smart ideas and put them to work in their own company.

2. THEY JOIN MASTERMINDS.

In the absence of having a board of directors or a boss, successful founders often use a peer board to hold themselves accountable and gain an outside perspective when they're stuck.

Initially popularized by Napoleon Hill in his class book, *Think & Grow Rich*, a mastermind gathers a small group of peers to act as one another's board. Often led by a chair, these groups become lifelines for owners as they navigate big decisions in their businesses and personal lives.

3. THEY ASK QUESTIONS.

The character trait that makes successful entrepreneurs inclined to read business books and join peer groups is their natural curiosity. They have an unquenchable thirst for knowledge. No matter how successful, they never get full.

You may be surprised *not* to see the stereotypical attributes of successful entrepreneurs. Many founders are also action oriented, competitive, tenacious, etc., but all those common personality traits are who they are. Our interest is what they *do*.

Actions are the measure of a person. Take a look at what a founder does to stay sharp, and you'll see a consistent pattern among the most successful entrepreneurs you know.

The character trait that makes successful entrepreneurs inclined to read business books and join peer groups is their natural curiosity. They have an unquenchable thirst for knowledge. No matter how successful, they never get full.

Tax Services

SPECIAL CONSIDERATIONS FOR SECOND/VACATION HOMES

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Senior Tax & Planning Advisor
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A rustic cabin. A seaside cottage. Buying a second/vacation home can be an alluring prospect. Before you decide to purchase one, though, you should consider a number of issues.

These include the costs associated with owning a second/vacation home, the attributes of the home, its rental potential, and the income tax treatment.

SHOULD YOU BUY A VACATION HOME?

Before you buy a vacation home, first determine whether or not you can afford it. Even if you can rent it out or deduct part of the costs of ownership from your taxes, a vacation home is primarily a luxury, not an investment. You should buy one to add value to your life instead of to your net worth.

Buying a vacation home may be right for you if:

- Owning one has been your lifelong dream, and you can now afford it
- You're almost ready to retire, and you plan to use the home as your primary residence in retirement (be sure to think about your future needs before you buy)
- You'll save enough money on family vacations to offset the cost of the vacation home
- You can recover most or all of the costs of owning the home by renting it out when you're not using it
- You enjoy entertaining frequent guests (like it or not, there's a good chance that friends and family members will want to come visit)

Buying a vacation home may not be right for you if:

- You have to scrape the money together to afford it
- You won't enjoy taking care of the property

HOW MUCH WILL IT COST TO OWN A VACATION HOME?

Owning a vacation home may cost more than you think. **Here are some of the things you can expect to pay for:**

Mortgage payment, taxes, and insurance – Unless you pay cash for your vacation home, you'll have to pay a monthly mortgage payment. And, whether you pay cash or not, you'll have to pay property taxes and a premium for hazard and liability insurance on the home.

Repairs, upkeep, and fees – Whether you maintain the home yourself or hire someone else to do it, you'll have to spend money on repairing and keeping up the home. Maintenance costs can include cleaning, yard work, pool or spa maintenance, plowing, and both major and minor repairs. If you're buying a condominium, you won't have to maintain the exterior of your unit or do yard work, but you'll have to pay a monthly condominium fee instead. Or, if you decide to rent your home, you may want to hire a professional management company that will charge you a fee to rent out and maintain the home.

Utilities – The amount of money you pay for electricity, heat, sewage, water, phone, and other utilities will depend on how frequently you use the vacation home. These costs can really add up, especially if you have a large number of people staying in the home.

Before you buy, first determine whether or not you can afford it. Even if you can rent it out or deduct part of the costs of ownership from your taxes, a vacation home is primarily a luxury, not an investment. You should buy one to add value to your life instead of to your net worth.

Furnishings and supplies – Unless your vacation home comes fully furnished, expect to spend quite a bit of money on furniture, bedding, and dishes to equip your new home.

Cost of travel and entertainment – Don't overlook the cost of traveling to and from your vacation home. You may also spend more money dining out than you would at home. Even groceries can cost more in a resort area. If you have guests, you may spend a lot on recreational activities and entrance fees to attractions, as well.

WHAT TO LOOK FOR IN A VACATION HOME

Personal tastes and the reason you're buying a vacation home will dictate the type of home you'll buy and its location. For instance, if you want to get away from it all, you might want a rustic cabin. On the other hand, if you plan on inviting family members to visit or are thinking about renting out the home, you might want to buy a spacious chalet in a resort area where there's lots to do. Here are some things to think about when you're choosing a vacation home.

LOCATION

- Is the property within a three-hour drive of your home? This is important if you plan on traveling there frequently.
- Are there recreational activities nearby that appeal to both you and potential renters?
- Is the property in a scenic, desirable location such as near a lake, beach, or the mountains?
- Is the area being heavily developed? This may be a plus if you're renting to others, a minus if you're looking for peace and quiet.
- Will you enjoy coming back to the area year after year?

SIZE

- Is the home large enough to accommodate friends and family members who will want to visit?
- Is the kitchen large enough to prepare meals comfortably?
- Are the bedrooms and bathrooms adequate for the number of people who will be staying there?
- Is there adequate parking? This is especially important if you have an RV or a large boat.
- Is there room to store items that you want to leave at the home (e.g., extra clothing, equipment, or food)?

AMENITIES (THE ADDED EXTRAS YOU MAY WANT)

- Does the home have modern appliances, including a dishwasher and a washer/dryer?
- Does the home have a fireplace for chilly evenings? This is especially important in ski country.
- Does the home have a swimming pool? A hot tub? A sauna?
- Does the home have a porch (screened or unscreened) where you and your guests can relax?

(CONTINUE READING ON PAGE 22)

MAINTENANCE ISSUES

- Does the home have reliable plumbing, heating, and cooling systems? Making repairs while you're on vacation is no fun.
- Will the grounds require a lot of maintenance? Unless you enjoy it, do you really want to spend your vacation working out in the yard?
- Is the home currently in good repair, or will you have to renovate it in order to make it livable?

HOW DO YOU INSURE A VACATION HOME?

You'll want to insure your vacation home against damage and loss. Your homeowners policy will provide liability coverage for you at your vacation home. However, most homeowners insurance policies provide only limited coverage for personal property at an additional residence. To insure the vacation home itself and to obtain additional personal property coverage, consider purchasing a dwelling and fire policy. There may also be insurance issues depending on how much of the year the property will be vacant. For more information, contact an insurance professional.

WHAT ABOUT RENTING YOUR HOME TO OTHERS?

If you want to rent your vacation home to others, keep the costs in mind. For instance, if you hire an experienced real estate rental broker who is familiar with rental homes and the rental market in which your vacation home is located, you'll have to pay a fee. If you go it alone, you'll have to pay for advertising, for travel to the property to show it to prospective tenants, and for an attorney to draw up leases.

If you plan to rent your vacation home for several short periods during the peak rental season (e.g., weekly for a ski chalet), you'll want to budget for greater vacancy periods. And since short-term rentals tend to place greater wear and tear on a property, you'll need to budget for greater repair costs.

On the plus side, renting your vacation home to other people when you're not using it can help defray the costs associated with owning the home and generate income for you.

WHAT ARE THE INCOME TAX CONSEQUENCES OF OWNING A SECOND OR VACATION HOME?

The income tax treatment of your vacation home depends on how many days you rent it to others, and other factors.

PROPERTY IS FOR YOUR PERSONAL USE ONLY, OR IS RENTED TO OTHERS FOR LESS THAN 15 DAYS PER YEAR

If your second home is for your personal use only, or is rented to others for less than 15 days per year, the income tax treatment is straightforward. **If you meet the requirements, you may deduct the following items:**

- Property taxes
- Qualified residence interest
- Casualty loss deductions

TIP: Rental income received from such a home is not subject to tax.

Renting your vacation home to other people when you're not using it can help defray the costs associated with owning the home and generate income for you.

CAUTION: Because you don't report the rental income generated from this home, you can't deduct the expenses related to the rental.

Unlike the sale of your principal residence, you aren't allowed a capital gain exclusion when you sell a vacation home or second home. However, a home that is currently a vacation home may qualify as your principal residence in as little as two years.

PROPERTY IS RENTED OUT FOR 15 DAYS OR MORE DURING THE YEAR

When you rent out your home for more than 15 days during the year, things can get more complicated. The tax treatment of your vacation home now depends on how much time is allotted to personal use (as opposed to rental use).

If you rent the home out for 15 days or more during the year, and your personal use of the home exceeds the greater of 14 days during the year or 10 percent of the days rented, then the property is considered a vacation home for tax purposes. **The tax treatment is as follows:**

Rental income – All rental income is reportable.

Rental expenses – Rental expenses must be divided between personal use and rental use of the property. Deductible expenses, such as insurance, repairs, utilities, and depreciation, are generally limited to the amount of income generated by the property.

Other deductions – You may deduct qualified residence interest, property taxes, and casualty losses.

Mortgage interest is considered qualified residence interest if it is incurred with respect to your principal residence and one other residence. So, you won't be able deduct the mortgage interest on more than one secondary residence or vacation home. There are also limits on the amount of indebtedness that may be taken into account in determining the amount of qualified residence interest that is deductible each year.

If you use your home less often for personal purposes (i.e., you don't meet the 14 day/10 percent rule), your vacation home is considered strictly rental or business property. **The tax treatment is as follows:**

Rental income – Gross rental income is taxable to the extent it exceeds the rental-related expenses.

Rental expenses – All expenses, including mortgage interest, property taxes, insurance, advertising, and so on, can be deducted against the rental income received on the property. You should report these expenses on Schedule E of your federal income tax return.

Losses – If the total rental expense exceeds the gross rental income, then the resulting loss may be deducted from your personal income (subject to relevant limitations, including the limitation on the deduction of passive losses).

CAUTION: Unlike the sale of your principal residence, you aren't allowed a capital gain exclusion when you sell rental property or second/vacation homes. However, if you own and use the home as a principal residence for two out of the five years preceding the sale of the home, you may qualify for capital gain exclusion, even though the home was a rental property or vacation home for the balance of the five-year period.

What's Happening at BWFA

This summer kicks off our ninth year of our Summer Intern Program!

At BWFA, we are committed to education in finance and supporting students to explore career opportunities in our industry. We work hard to design a meaningful program for our interns to hone their skills, learn about various aspects of finance & investments, and set them up for future success.

Please welcome, **Andrew Cade**, **Jake Canfield**, **Sam Hanley**, **Megan McInerney, Zaman Naseer**, **Casmir Ochiaka**, **Max Pflugrad**, **Jake Pliner**, and **Hailey Schendel**.

A full recap of the Interns' summer at BWFA, along with their bios will be in the next issue of *The Advisor Magazine*.

Learn more about the BWFA INSTITUTE & INTERNSHIP program at BWFA.com/bwfa-institute-internship

Meghan & Eric Manas enjoying an early April weekend in Ocean City — **Mojo's** first time on the beach!

Jennifer Hornor, past BWFA intern, graduated from Pitt in May 2021.

Greetings from Sykesville! Manas family loves to walk and shop downtown Sykesville!

The **Hornor family** celebrating Jennifer's graduation (Sarah, Sandy, Jennifer, Ty & Cynthia)

The Caronna family celebrating **Vinny's first birthday!**

Vinny's first trip to Disney!

Meghan, Miriam & Ezra Manas — First night out to dinner since March 2020! Enjoyed sushi at Azumi.

Employee Spotlight

GET TO KNOW SAMANTHA

SAMANTHA CARPENTER
Digital Communications Specialist
scarpenter@bwfa.com

Empowering young creatives by preparing them to succeed in the new digital era

girlzbydesign.com

FAVORITE THINGS TO DO OUTSIDE OF BWFA?

Experimenting with watercolors! Over quarantine I rediscovered my love of painting. It's been such an awesome way to stay creative offline. Trying new mediums is something that I feel pushes my creativity and also brings me a lot of joy.

SHARE A SIGNIFICANT CAREER ACCOMPLISHMENT.

A project that I'm most proud of has been co-founding a non-profit organization with my two roommates. The mission of our organization, **Girlz by Design**, is to empower young creatives by preparing them to succeed in the new digital era.

In the Summer of 2020, we envisioned an opportunity to bridge the digital arts gap in traditional high school arts curriculums by bringing design experts and project-based learning to the virtual classroom. In September, we began holding weekly sessions with art classes at Anacostia High School in DC. We explored various design and digital art fields and we heard from various guest speakers who shared their career experiences and offered insights on how students could build their digital skills and portfolios. Currently we have hosted more than 45+ workshops and expect to start hosting in person workshops with students during the fall of 2021.

WHERE DO YOU SEE YOURSELF IN 5 YEARS?

In the next 5 years I see myself continuing to grow my knowledge and skill sets within the field of design & digital communications. The digital world is constantly shifting and it's been exciting to be a part of where it's going. A goal of mine is to be able to combine my passion for storytelling, visual design, and audience development to better communicate and reach various audiences across different digital platforms. I am excited to be able to use my skills to effectively reach and connect with all the wonderful existing and future clients of BWFA!

ALL NEW!

B | W | F | A
LIFESTYLE

Wellness Webinars, Yoga & Cooking Classes

For questions or help registering for any event: Email Cortney Caronna at ccaronna@bwfa.com.

From Worrier to Warrior
MON., JULY 12, 2021
11:45 AM – 1:00 PM

Therapeutic Yin Yoga for Beginners
MON., JULY 26, 2021
11:45 AM – 1:00 PM

Mindfulness Matters
MON., AUGUST 9, 2021
11:45 AM – 1:00 PM

Meditation & Breathing
MON., AUGUST 23, 2021
11:45 AM – 1:00 PM

with Dagmar Bohlmann
Registered Yoga Teacher
YOGAhikes Baltimore

Natural Energy Boosters
THUR., JULY 29, 2021
11:45 AM – 1:00 PM

Stiff & Sore No More!
THUR., AUGUST 5, 2021
11:45 AM – 1:00 PM

with Dr. Emily Telfair, N.D.
Naturopathic Doctor
HeartSpace Natural Medicine

Schola Cooking Class: Focaccia Bread
MON., JULY 12, 2021
4:30 PM – 6:00 PM

Schola Cooking Class: Cooking with Beer!
MON., AUGUST 9, 2021
4:30 PM – 6:00 PM

with Chef Amy von Lange
Owner of Schola

SPECIAL EVENT!

VIP Cook Along with Chef Alba: Enchanting Dishes of Casablanca
THUR., JULY 29, 2021
4:30 PM – 6:00 PM

Prep and cook along in real time with Chef Alba Carbonaro Johnson. Choose to turn on your camera and participate throughout the webinar (though it is not required). You'll be able to watch Chef Alba prep and cook and then show her your cooking too, for real time advice and guidance in the comfort of your kitchen. Due to this format, attendance is limited to 20 households (devices).

Upcoming Events

These events are being offered as **WEBINARS / VIRTUAL CLASSES ONLY** until further notice.
Visit BWFA.com for the latest updates and schedule. We hope you can join us online!
For questions or help registering for any event: Email Cortney Caronna at ccaronna@bwfa.com.

All Webinars / Virtual Classes are from **11:45 AM – 1:00 PM** unless noted otherwise.

July

JULY 1, 2021	Pitfalls of Annuities
JULY 6, 2021	Top 10 Mistakes Retirees Make
JULY 8, 2021	Planning for Social Security
JULY 12, 2021	Lifestyle: From Worrier to Warrior - Taming Your Anxiety & Pain
JULY 12, 2021	**4:30 PM - 6:00 PM** Lifestyle: Schola Cooking Class - Focaccia Bread
JULY 13, 2021	Intentionalism in Estate Planning: Achieving Perfection for Your Legacy
JULY 15, 2021	**6:00 PM – 9:00 PM** Lifestyle: Book Club - "One Hundred Years of Solitude"
JULY 20, 2021	Roth vs. Traditional IRA
JULY 21, 2021	Business Owner Series: Exit Strategy & Succession Planning
JULY 22, 2021	Do You Have Too Much Cash, Earning Too Little?
JULY 26, 2021	Lifestyle: Therapeutic Yin Yoga for Beginners
JULY 27, 2021	Family Wealth Office
JULY 29, 2021	Lifestyle: Natural Energy Boosters
JULY 29, 2021	**6:00 PM – 8:00 PM** VIP Cook Along with Chef Alba: Dishes of Casablanca

August

AUGUST 3, 2021	Do You Really Need a Bank? What Alternatives Are There?
AUGUST 5, 2021	Lifestyle: Stiff & Sore No More!
AUGUST 9, 2021	Lifestyle: Mindfulness Matters
AUGUST 9, 2021	**4:30 PM - 6:00 PM** Lifestyle: Schola Cooking Class - Cooking with Beer!
AUGUST 10, 2021	CST Client Information Workshop
AUGUST 12, 2021	Selecting a Continuing Care Retirement Community (CCRC)
AUGUST 17, 2021	Financial Planning: Welcoming a Child or Grandchild
AUGUST 23, 2021	Lifestyle: Take a Breath: Meditation and Breathing
AUGUST 24, 2021	Retirement 101: Strategies for Success
AUGUST 26, 2021	Why is a Comprehensive Portfolio Assessment So Important?
AUGUST 31, 2021	Estate Planning: Probate Court & Guardianship

September

SEPT. 9, 2021	Planning for Social Security
SEPT. 13, 2021	Lifestyle: Yoga Nidra
SEPT. 13, 2021	**4:30 PM - 6:00 PM** Lifestyle: Schola Cooking Class - Pizza!
SEPT. 14, 2021	Business Owner Series: Selling Your Business
SEPT. 21, 2021	Estate Planning for Second Marriages
SEPT. 23, 2021	Lifestyle: Natural Approach to a Good Night's Sleep