



## Spring Time Greetings from API!

### **YOLO** by Sandy

During my 30 year career I have encouraged clients to carefully save and prepare for retirement. Now I want you to reach beyond your comfort zone and embrace something new, something exciting, possibly scary. I was recently in the Galapagos and loved that portion of the trip but I also signed up for an Amazon rainforest extension that pushed my boundaries. *Continued on page 2....*



*“And life needs to be interesting because we’ve only got one of them to live.” – Jessica Sorensen*

### **Expect the Unexpected** by Erin

Recently, a family tragedy threw my much anticipated, soon-to-be empty nester plans into complete disarray. I was reminded of a remarkably astute and humorous line from a John Lennon song: *“Life is what happens when you’re busy making other plans”*.

In May my daughter is graduating high school and will be moving off to college in the fall. She is majoring in Entrepreneurship but still trying to decide between Chapman University or the University of Oregon. My son is graduating from trade school this year as well.

My husband and I could see the finish line on the horizon and we were very *continued on page 2.....*

### **Charitable IRA distributions (tax planning)** by Carol

At age 70 ½ or older, you are required to take mandatory IRA distributions (RMD) which means you have increased taxable income. Many clients do not want or need the extra income. You can reduce the income tax by making a qualified charitable contribution (QCD) with some or all of the RMD. The amount of the charitable contribution is excluded from your taxable income which gives you more of a tax reduction than if it was a normal itemized charitable deduction. This will also decrease the income limit for some of your itemized deductions such as how much you can deduct for medical expenses.

A QCD must be done before you satisfy the annual RMD. For example, if your RMD is \$10,000 and you want to donate \$1,000 to a charity, you must contribute to the charity first. The charity must be a tax exempt organization (501(c)(3)). The custodian (TD Ameritrade or Schwab) must make the check payable to the charity and sent directly to the charity. Bottom line: if you were planning on making a charitable donation and you have a RMD (70 ½ or older), it is more tax beneficial to donate via the IRA. If you are interested in doing this please let us know so that we can help you do this correctly.

### **YOLO continued ....by Sandy**

This self-declared "prissy girl" was going to a very remote part of the world, completely off the grid. No cell, wifi, satellite, news or electricity- which was great for my daughter to be unconnected. We had dim light by solar, humidly, heat, lots of bugs, birds, snakes, caimans and creatures. I was in a swamp with the Shaman, a medicine man, a healer of the community. To appreciate what we have, go to where they have not. View the world as exciting and try a new hobby, volunteer, give back, get involved. YOLO means "you only live once" and I have lived by that attitude for years. Take the road less traveled. Take a leap.

### **ADV Notice & Updates by Carol**

The start of the year is always busy as we wrap up the year and update our SEC filing. Enclosed is your copy of the Material Change notice. Please contact us if you would like a copy of the entire ADV mailed to you. You can also access our ADV on the internet via our website under resources or directly through the SEC: <http://www.adviserinfo.sec.gov/> Our SEC file number is 801-62993.

Our total assets under management as of December 31, 2016 were \$220,255,851, an increase of 10% due to increases in market value and new assets.

One of the ways we grow is by increasing our knowledge and expertise. We are very pleased to announce that Melani has earned her Registered Paraplanner<sup>SM</sup> designation. The coursework she completed has given her the financial knowledge necessary to assist us in constructing financial plans. She will work closely with us and is a valuable member of our team.

### **Market recap by Samantha**

The chart to the right show the year-to-date stock market benchmark returns. The "Trump Rally" that began after the election continued throughout January and February, but seemed to pause during the month of March. The Dow hit 20,000 on January 25<sup>th</sup> and proceeded to break records to close above 21,000 on March 1<sup>st</sup>. It took 42 days to move from 20,000 to 21,000; the second fastest 1,000 point run in history.

The Federal Reserve increased interest rates by 0.25 percent in March with the expectation they will increase rates two more times this year. The market continues to be very cautious any time additional rate increases are mentioned.

Overall the economy continues to look strong with consumer confidence continuing to rise and the unemployment rate dropping to 4.7% in February.

### **Expect the Unexpected continued ...by Erin**

much looking forward to both the financial and personal freedom afforded once our children ventured out on their own in the near future. Overnight, our lives went the complete opposite direction.

In February we welcomed our nephews ages 8 and 11 into our home. They are the sweetest children and bring us much joy but we are saddened they have come to live with us as a result of the sudden death of their father, my husband's brother.

I hope my story serves as a reminder that good financial and life planning expects the unexpected. But more importantly, the best planning strikes a balance between seizing the day and saving for the days we hope are ahead of us. Like Sandy said YOLO and remember to savor every bit of fun and joy you can.

	YTD
	Mar. 2017
60% Equity/40% Fixed	3.4%
50% Equity/50% Fixed	2.9%
Barclays US Agg Bond	0.4%
S&P	5.2%
DOW	4.6%
iShares (EFA)Foreign	7.9%