

PRISM PLANNING & SOLUTIONS GROUP, LLC

What is Financial Planning Newsletter



UPCOMING EVENTS

Wed, Sep 25
Live Web Presentation

Financial Exploitation -
Protecting Yourself and Loved
ones

Prism Planning and Solutions
Group is pleased to host Ben
Rizzuto, CFP®, CRPS®, Wealth
Strategist at Janus Henderson
Investors to discuss the latest
trends in Fraud and Financial
Exploitation.

[REGISTER HERE](#)



Prism Planning and
Solutions Group
Financial Planning & Execution

FROM YOUR ADVISOR

As I write this Kamala Harris has succeeded Joe Biden as the presumptive Democratic candidate for US President, the Olympics are in full swing in Paris, and Federal Reserve chair Jerome Powell has just announced that the Federal Open Market committee has decided to leave the federal funds target rate unchanged. It's been a year since the last rate increase, and Powell has articulated for the first time that a rate cut could be on the table for the September 2024 meeting. What I find most interesting is looking at data such as PCE, new home stats and job openings, I see is an economy that is growing moderately with stable inflation. I also see overall price levels that are much higher today than they were pre-COVID. We should remember that following the housing crisis in 2008 we had virtually no inflation at all through 2020 because of how sick the economy had been. The federal government propped up the economy and avoided a depression following the 2008 crisis, but normalization means inflation had to catch up for lost time. Wages have started to increase as well and are now growing faster than inflation but I believe it will take changes in fiscal policy to see improvement in the purchasing power of average Americans.

WHAT IS FINANCIAL PLANNING?

Financial planning is a collaborative process that helps you meet your life goals through sound financial advice. But what does that really mean for you?

At its core, financial planning ensures the right person in your life has the right cash to do the right thing at the right time. It's about creating and preserving choices for your future.

A comprehensive financial plan covers various aspects:

- Cash flow management
- Retirement planning
- Risk management and insurance
- Investment strategies
- Tax planning
- Estate planning

WHAT IS FINANCIAL PLANNING?

The process involves analyzing your current financial situation, understanding your goals, and developing strategies to achieve them. However, it's not just about numbers. Your personal story – your values, experiences, and aspirations – plays a crucial role in shaping your financial plan.

Who should engage in financial planning? Everyone, to some degree. But professional help is particularly valuable when:

- Your financial situation changes significantly
- You're facing major life transitions
- You feel uncertain about your financial decisions

Remember, in financial planning, the answer to most questions is "it depends." Every situation is unique, and what works for one person may not be ideal for another. A CFP® professional can help you navigate these complexities and create a plan tailored to your specific needs and goals.

“ALL THINGS IRA CORNER”

The Pro-Rata rule applies to all your SEP, SIMPLE and Traditional IRAs as if they were one

When you have both pre-tax and after-tax dollars in your Traditional, SEP and/or SIMPLE IRAs, you can't withdraw just one or the other, much as you can't remove the cream from your light & sweet coffee.

If you have after-tax dollars from previous years, you should have filed Form 8606 with your tax return, which will help you with the required calculations.

The general rule is applied as the name “Pro-Rata” suggests - part of each withdrawal will be pre-tax and part after-tax dollars, regardless of which accounts hold each, but of course there are exceptions. (What would the IRS be without exceptions!)

If you are making Qualified Charitable Contributions or rolling pre-tax dollars from your IRA to a company plan, the rule doesn't apply.

For more information about the Pro-Rata Rule and how to apply it, [click here](#) and consider speaking with a member of Ed Slott's Master Elite Advisor GroupSM. [Click HERE](#) to schedule a 15 minute conversation with Julia.

Julia Peloso-Barnes, CFP® is a member of Ed Slott's Master Elite IRA Advisor Group™. For more information on anything mentioned in the “All Things IRA” Corner please email Julia at julia@PPSgrp.com or schedule a call/zoom [here](#).

www.ppsgrp.com/meet-the-team

KEY POINTS

- When done well, financial planning is a collaborative process.
- Think about preserving as many choices as possible for as long as possible.
- Numbers don't tell the whole story; the first answer is often “it depends”.
- A Certified Financial Planner® professional can help you weight the trade-offs of your choices and decisions and create a unique plan tailored to your needs and objectives.

Prism Planning & Solutions Group is a dba of Insight Advisors, a Registered Investment Adviser. Advisory services are only offered to clients or prospective clients where Insight Advisors and its representatives are properly licensed or exempt from licensure. This material is solely for informational purposes. No advice may be rendered by Insight Advisors unless a client service agreement is in place. Prism Planning & Solutions Group does not offer tax or legal advice.

Certified Financial Planner Board of Standards, Inc. (CFP Board) owns the CFP® certification mark, the CERTIFIED FINANCIAL PLANNER™ certification mark, and the CFP® certification mark (with plaque design) logo in the United States, which it authorizes use of by individuals who successfully complete CFP Board's initial and ongoing certification requirements.

Certain statements contained in this publication, including, without limitation, statements containing the words “expect(s),” “anticipate(s),” “believe(s),” “intend(s),” “seek(s)” and words of similar import constitute “forward-looking statements.” Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results or outcomes to differ materially from the future results or outcomes implied by such forward-looking statements. Given such uncertainties, you are cautioned not to place undue reliance on such forward-looking statements.



For more information about this educational membership organization visit irahelp.com