

The Planner

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PRESIDENT'S PODIUM

Ring in the New Hybrid Format

BY CHRIS ACKER, CLU®, CHFC® / PRESIDENT / FPA OF SILICON VALLEY



Greetings from FPA of Silicon Valley!

I hope you all had a great Thanksgiving filled with gratitude, joy, and hope.

As I was preparing for this message, I was thinking about the collective “vibe” of our Silicon Valley chapter this year versus the mid-pandemic “vibe” of last year, and it was, quite frankly, depressing. 2020 was a year of firsts for many organizations, and FPA was no exception. Membership plunged, meeting attendance was down due mainly to Covid/Zoom fatigue, and the outlook for in-person meetings was bleak.

Fast-forward to the first week in December. After attending the annual Northern California Regional Strategic Planning Meeting, I feel engaged, energized, and ready to help our chapter emerge from the pandemic as a more robust, leaner, yet more resilient version of ourselves than we were in 2020 and 2021.

Our leaders in 2020 and 2021, Sheri Pan and Todd Barney (and boards), have positioned our group for more growth, inspiring programs, vibrant networking, and an inclusive community for CFP® practitioners and allied professionals.

Member Engagement

Face it: the pandemic has affected all of us in ways we never expected. Many of us have felt detached from our clients, even though we embraced video conferencing; we

also need to admit that we miss a handshake or hug with a client or colleague. After all, we humans are social beings! I know I can't wait to see folks in person.

To that end, we are planning a “hybrid” year of meetings in 2022, with at least four in-person meetings, while still live-streaming for those who do not yet want to visit in person. We will be changing our venue to a more tech-friendly location to accommodate our group's needs. Look for more information on our events page and in emails to come. I am sure you will be excited about the change and opportunity for a safe in-person experience.

Programs

Most FPA members attend meetings for their content. Our Programs Committee has put together a slate of speakers that will provide a wide variety of content that will appeal to our diverse group of practitioners. Whether it is the annual “Economic Outlook” that so many of us enjoy early in each year, to practice management topics, estate planning, insurance updates, there is something for everyone!

Networking and Inclusion

How often do you go to a professional meeting or conference where you feel uncomfortable because you don't know anyone? I will admit it: I have a hard time breaking into a room full of strangers! My goal is to make

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everyone feel welcome and included in our chapter. Our FPA chapter should be a place where colleagues can find support and be honest with themselves and others; if it has been a rough week or month, or you are having difficulty with a client, your FPA chapter is here to provide a caring community to assist you with referrals to allied professionals who can help you better serve your clients; you are not alone! Lean on FPA—we are here for you.

We Need Volunteers

FPA is you, and you are FPA! You can not go it alone, and neither can we! Over the next several months, your FPA board will be conducting member outreach to bring in new board and committee members. As vibrant as our community is, we need to ensure leadership continuity; our chapter needs to recruit for several open positions. You will be hearing from us.

This is an exciting and formative time for FPA. Locally and nationally, new initiatives are coming in 2022, making it a great time to be a member of your local chapter. So, please encourage all CFP® practitioners and aspiring financial planners/students you know to attend a virtual or in-person meeting and experience what our community offers. I know your associates will find value in FPA and will thank you for getting them involved.

Here's to a wonderful holiday season and a happy and healthy 2022.

Chris Acker, CLC®, ChFC® is the owner of CB Acker Associates Insurance Services. He is native of Ogdensburg, New York and a graduate of Williams College. In 1998, he opened his own office. Chris is a past president of the Financial Planning Forum. He is a member of the National Association of Insurance and Financial Advisors, The Society of Financial Service Professionals, and the FPA of Silicon Valley, where he is the 2022 president.

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December Meeting



Left: We're back (and so is the bacon)! Tom Bennett and Clay Selland attended the first and only in-person meeting of 2021.



Above: Standing ovation for the incoming 2022 FPA of the East Bay board members.

Below: Director of Pro Bono Craig Kirkpatrick and 2022 President Eric Flett making sure they keep their distance.

Photos courtesy of David Shaffer



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SHARPEN THE SAW

Benefits of the 721 Transaction/UPREIT Transaction—Defer, Diversify, and Hedge

BY JOHN BACIGALUPI / DIRECTOR OF SPONSORSHIP / FPA OF SAN FRANCISCO



A Tax Deferral Strategy for Real Estate Owners

Owners of real estate properties looking for an exit strategy and the opportunity to diversify their real estate holdings while deferring capital gains taxes may find utilizing IRC Section 721 (a “721 Transaction”), also referred to as an “UPREIT Transaction,” to be a preferred tax mitigation strategy. Rather than exchanging property for property, a 721 Transaction allows an investor to contribute property directly to a REIT’s operating partnership (the entity through which the REIT acquires and owns its real estate) in exchange for operating partnership units (“OP Units”). This type of transaction may be especially helpful for property owners with significant gains where a sale would trigger a taxable event, or for those looking for an estate planning tool that efficiently passes down highly appreciated real estate in a tax-efficient manner among heirs. A 721 Transaction may also be a viable option for those who wish to diversify away from potential uncertainties surrounding the future of IRC Section 1031.

721 Transaction/UPREIT Transaction Defined

Section 721 of the Internal Revenue Code allows owners of property (including real estate) to contribute, on a tax-deferred basis, their physical property to a partnership in exchange for interests in the partnership. Real estate investment trusts (“REITs”) often hold their portfolio of real estate through an operating partnership (known as an Umbrella Partnership Real Estate Investment Trust, or “UPREIT” structure) to allow holders of real estate to effectively exchange their property for economic interests in the REIT (in the form of OP Units of the operating partnership) by contributing that property to the operating partnership in a 721 Transaction. The OP Units typically have economic rights that are identical to the rights of the shares of the REIT and after a relatively short holding period can be converted into shares of the REIT (in a taxable transaction) for additional liquidity.

The 721 Transaction can be an alternative or complementary solution to a traditional Section 1031 exchange. A 721 Transaction tends to appeal to a property owner seeking the potential benefits of a larger real estate portfolio including diversification, professional

management, economies of scale, access to capital, increased liquidity, and additional estate planning benefits, all while deferring the recognition of a capital gain on their original property.

How it Works

A 721 Transaction is completed when an individual contributes an investment property to the operating partnership of a REIT. Instead of receiving cash for the sale of the property, the investor receives OP Units of the operating partnership in the UPREIT structure.

A DST 721 or “Two-Step” Transaction

The typical real estate investor does not hold real estate that a REIT would want to acquire in an UPREIT Transaction. However, the possibility of acquiring OP Units for a real estate investment may be achievable to investors indirectly through a Section 1031 exchange into a Delaware Statutory Trust (“DST”). Interests in a DST (“DST Interests”) are fractional interests in real property, such as a multifamily property, typically acquired by investors seeking replacement property to defer gain that was realized on a disposition of a relinquished investment property.

In this scenario, the investor sells his investment property to a third party and uses the proceeds from the sale to purchase a DST Interest equal to the value of the relinquished property. Because DST Interests are treated as investment property for US tax purposes, a REIT that wants to acquire a property held by a DST can cause its operating partnership to acquire all the DST Interests from their holders in exchange for OP Units. Exchanging into DST Interests therefore can open access to institutional-grade real estate held by a DST, and thereby open access to the more diversified real estate portfolios held by REITs in their UPREIT structures.

The investors that contribute their DST Interests to an operating partnership will be treated as having contributed investment property to the operating partnership in a 721 Transaction (a “DST 721 Transaction”). A DST 721 Transaction should generally not occur less than two years after the initial acquisition of the DST Interests by their holders, nor can there be any promise or guarantee, at the time of such initial acquisition, that the DST 721 Transaction will occur.

A 721 Transaction (whether involving a DST or otherwise) can be used in conjunction with public, private, or publicly registered non-traded REITs, each of which has unique investment characteristics to consider.

It is important to understand that at the time an investor converts OP Units for shares in the REIT to get liquidity, a taxable event occurs and there is no longer an opportunity to defer taxes. However, this conversion will normally take place at the discretion of the investor or estate and may often occur after a step-up in cost basis in the event of the investor's death.

Case Study: Two Medical Partners Own Their Building and Want to Retire

Two doctors own a medical facility. As property owners, they are responsible for maintenance, taxes, utilities, insurance, accounting, dealing with tenants, and the general upkeep of the property. They want to retire and sell the building but are concerned about the low tax basis of the real estate and the large potential capital gain and depreciation recapture that they would recognize upon a sale. Instead, the doctors take the proceeds from the sale of their property and complete a Section 1031 exchange by acquiring interests in a DST.

In two years:

- Their DST Interests are exchanged for OP Units of a large, diversified REIT generating monthly distributions.
- They are no longer dealing with the burdens of active real estate ownership, have mitigated the risk of owning a single property, and have indefinitely deferred the recognition of a taxable event.
- Typically, they have access to partial or full liquidity of their REIT interests and, under current law, would still receive a step-up of basis upon their death, a key consideration for estate planning.

The 721 Transaction/UPREIT Transaction is complex and should only be considered with the counsel of your financial, legal, and tax advisors familiar with this type of exchange. Cantor Fitzgerald does not provide. For Institutional Use Only.

John Bacigalupi is a senior vice president at Cantor Fitzgerald Capital, a global financial services firm and open architecture wholesale distribution company. John brings over 14 years of experience in the financial services and the alternative investment industry. John earned his bachelor's degree from UCLA. Outside of work, John loves to spend time with his wife and two small boys, coaching U6 soccer and enjoying life in the Bay Area. John serves the FPA of San Francisco as the director of Sponsorship.

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MEMBER MINUTE

Meet Darien Tung, CFP®

BY JENNIPHER LOMMEN, CFP®, EA / CO-CHAIR OF PRO BONO / FPA OF SILICON VALLEY



Darien Tung, CFP® is an active member of the FPA of Silicon Valley's Pro Bono Committee, coordinating educational talks, financial planning in the library events, and one-to-one pro bono planning within his own community.

How did you get involved in financial planning—what was your evolution into this profession?

I came into this career because of the tech crash in 2000 and a random multi-level marketing job I tried out in college. While it wasn't the most sophisticated business model, I came to learn that I was good at sales and even better with people. During that time, American Express Financial Advisors called me in for a career presentation, and I came to learn that the role of a financial advisor was the perfect cross section of my interest in finances and helping people. After working with my first few clients, I fell in love with helping them and haven't looked back since.

Were you always a planner?

I always valued thinking long term, making well-informed decisions, and being prepared, but I was never a planner by nature.

What kinds of work do you enjoy most?

I am fortunate to have clients who rely on me for most of their financial needs. The fulfillment and purpose I've derived from that have been life changing. Guiding my clients to accomplishing their goals and building up their financial confidence are some of the most rewarding experiences in my career.

How did you get involved with pro bono work and why?

As a kid, I was raised with the values of giving back. We volunteered at soup kitchens, food drives, clothing drives, and worked with less privileged children and seniors.

My parents often reminded me that charity was a two-way street. As I volunteered to help others, I became more appreciative of the things I took for granted. I remember how grateful the people we helped were and that made a deep impression on me.

Once I felt like I had real knowledge I could share from my profession, it was just a matter of time before I would figure out how to donate my expertise. Thankfully, the FPA has always been good about maintaining its pro bono programs. Once I found out about it, I jumped in.

Can you highlight a few recent pro bono "moments" that felt especially rewarding?

When it became clear that the pandemic wasn't going to end anytime soon, I started coming in contact with more people that needed help. One conversation with a recently widowed woman has always stayed with me. Once we wrapped up, she told me how much more confident she felt about her transition. After everything she had to endure with her husband's passing, she was feeling optimistic for the first time. The fulfillment I get from that is why I do pro bono work.

During our most recent financial planning day with the Redwood City library, I had a conversation with a woman who also lost her husband during the pandemic, but along with that, she was diagnosed with cancer. Understandably, she fell behind in managing her finances. We were able to identify immediate steps to take action on and she should be get back on track within a year's time. Similar to the previous woman I mentioned, it's such a great feeling when we can have a big impact through our pro bono programs. It allows us to help people we otherwise wouldn't come in contact with.

What innovations do you see for the future?

From my perspective, fintech has a useful role in our industry. It can assist the do-it-yourselfers and help them to avoid big mistakes. An interesting concept I've been reading about is "white collar" artificial intelligence. A potential application that's still in the design phase is creating robots that can become the doctors of the future. I find this idea fascinating.

However, the one role in the medical field that a machine can't replace is nursing. The human touch required to care for a patient can't be mechanized.

I can see a similar application in our industry for investing. Eventually, a machine can and will make better investment recommendations as well as be more effective money managers. Even for fundamental planning, machines will eventually be more accurate and efficient than we could ever hope to be.

That being said, comprehensive financial planning for more complex cases requires goal development, exploration of personal values, understanding of interpersonal and family dynamics, and other soft skills that again, can't be mechanized.

There will always be clients who prefer a relationship with a trusted advisor with whom they can have conversations and ask questions.

Would you like to share anything about yourself outside of the realm of financial planning?

I am a pretty simple person. I spend most of my time with my wife, three daughters, and a few close friends and family. I LOVE being a dad. Raising my daughters is one of the most meaningful joys of my life. I have a lifelong love of basketball. I would play every day if I had the time and my body would allow me to. I relish in good conversation, so one of my favorite social activities is sharing a good meal with friends and family.

Jennipher Lommen, CFP®, EA is co-chair of the Pro Bono Committee for the FPA of Silicon Valley and is the founder of Wildflower Financial LLC in Santa Cruz. In addition to financial planning, she enjoys having dinner with her family, hiking in the forest, and reading on the couch with a cat on her lap.



Virtual Holiday Party with Olive Oil Tasting Experience



Above: December's chapter meeting and holiday event was a virtual annual holiday party with olive oil tasting experience.

Left: Joanne Ferris from McEvoy Ranch led the online tasting experience.

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SPONSOR SPOTLIGHT

Inflation: Everything Old is New Again

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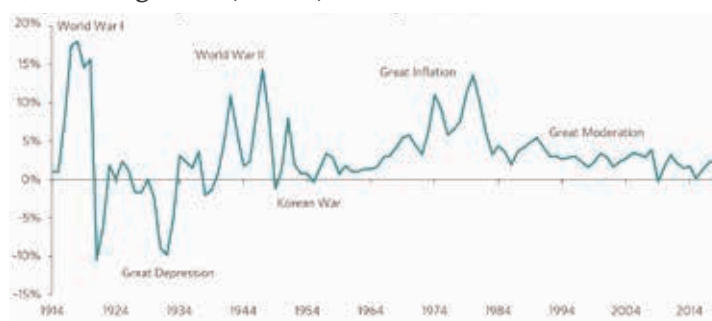


More than 18 months out from the onset of Covid-19 and the massive intervention of central banks to contain its economic and market impact, a number of inflation metrics in the US are running at their highest levels in decades. Though the emergence of inflationary pressures comes as little surprise given the mixture of unleashed consumer demand, supply-chain disruptions, ongoing fiscal support and large base effects, their persistence has caught a number of observers wrong-footed. This is perhaps not unexpected; Covid delivered an unprecedented shock to the economy and had numerous idiosyncratic characteristics for which there were no historical precedent to guide expectations.

Further, meaningful inflation of any sort is a novelty for a large number of today's market participants, though price levels in the US and much of the developed world, as shown below, were quite volatile through much of the 20th century before the emergence of a Great Moderation in the mid-1980s. The Fed attributes much of the price stability evident in recent decades to better inflation targeting and its management of long-term private-sector expectations. However, the Fed's anchoring success also has made it difficult to drive inflation higher when necessary, which was among the reasons cited for its August 2020 shift to an average inflation-targeting framework, a significant change in Fed orthodoxy.¹ It's reasonable to think that a period of above-target inflation that the new policy suggests may reset expectations at moderately higher levels—or, in a worst-case scenario, potentially unmoor them.

Meaningful Inflation Has Been Absent in Recent Decades...

Average Annual Percent Change in Consumer Price Index, 1914 through 2020; Index, 1982–84 = 100



Source: Bureau of Labor Statistics; data as of December 31, 2020.

...Until the Economic Dislocations of Covid-19

Monthly Percent Change in Consumer Price Index from a Year-Ago, January 2010 through October 2021; Index, 1982–84 = 100



Source: Bureau of Labor Statistics; data as of October 30, 2021.

Fed and Markets at Odds on Timing and Magnitude of Rate Hikes

Though it can be painful, what we are witnessing today is inflation doing its job. Rising prices serve to reallocate demand from parts of the economy where supply is constrained (primarily goods) to areas where it is more abundant (mostly service industries). Whether or not the current bout of inflation meets the dictionary definition of “transitory,” we think it’s unlikely the global economy has shifted back into a durable higher-inflation regime. More probable, in our view, is current inflationary pressures are the result of a confluence of extraordinary circumstances that ultimately will fade and inflation will return to more normal levels. That said, the tail risk of potential adverse outcomes grows with each elevated inflation print.

Acknowledging the supply/demand distortions that have emerged, the Fed has increased its forecast for 2021 inflation growth steadily throughout the year and in November announced that it would reduce its monthly asset purchases. While the pace of the taper theoretically clears the way for the start of a rate-hike cycle in the second half of 2022, Fed Chair Powell appeared to downplay the connection between the two, saying the decision to hike rates involves a “different and more stringent test.”²

This sentiment has been borne out in the Fed’s dot-plot of inflation expectations, the most recent of which found no consensus on the need for rate hikes before 2023; officials expect three increases in each 2023 and 2024 to bring its

key policy rate to 1.75%. The central bank currently pegs the longer-term neutral rate at 2.5%.³ In contrast, the market expects the Fed to act more aggressively in 2022 but to be more restrained in the years that follow. Fed funds futures suggest two to three hikes by the end of 2022, with the first coming as soon as July; the market's longer-term outlook, derived from Treasury rates, implies overnight rates will reach about 1.4% by 2024 and stay there through 2031.⁴

The disconnect between the market and the Fed seems to suggest that investors are expecting a policy error; namely, that the central bank will be forced to raise rates earlier than it wants, and in doing so choke off economic growth and compel it to revert to a more accommodative stance. This positioning strikes us as odd. If the central bank is, per its average inflation-targeting policy framework, content to let inflation run hot for a period of time in pursuit of its goals of full employment and 2% long-run inflation, multiple rate hikes in 2022 would imply that there exists serious cause for concern—worries not likely to be ameliorated by a couple of token rate increases off the current near-zero level. It seems to us that any policy error likely would take the form of a failure to act rather than acting too soon. Either way, the divergence between market expectations and the Fed's forecast is a recipe for volatility.

A Focus on Resilience in an Uncertain Future

Given the range of potential outcomes in the coming years, where can investors turn? Estimating the behavior of an asset across various inflation scenarios requires not only bottom-up judgment, but also the temperament to accept that neither the worst-case nor best-case may come to pass. This is why First Eagle's Global Value team seeks to build all-weather portfolios that we believe have the potential to deliver attractive real returns across a variety of economic regimes.

We do this in part by selectively targeting companies we believe have the potential for persistent earnings by virtue of possessing a scarce, durable asset—a tangible or intangible factor that in our view provides it with a long-term operational advantage and is highly difficult for other businesses to replicate. Many of our portfolios at First Eagle also have a strategic allocation to gold—through bullion, miners and streaming/royalty companies—as a long-duration potential hedge that we believe can provide portfolios with a source of resilience in a wide variety of adverse circumstances while also supporting real purchasing power across market cycles.

1. David Altig, Jeff Fuhrer, Marc P. Giannoni and Thomas Laubach, "The Federal Reserve's Review of Its Monetary Policy Framework: A Roadmap," FEDS Notes (August 2020).

2. Source: Federal Reserve; data as of November 3, 2021.

3. Source: Federal Reserve; data as of September 22, 2021.

4. Source: CME FedWatch Tool, Federal Reserve Bank of San Francisco; data as of November 17, 2021.

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Risk Disclosures

The use of hedging techniques is speculative, and there can be no assurances any hedging technique will be effective. Investment in gold and gold-related investments presents certain risks, including political and economic risks affecting the price of gold and other precious metals, like changes in US or foreign tax, currency, or mining laws; increased environmental costs; international monetary and political policies; economic conditions within an individual country; trade imbalances; and trade or currency restrictions between countries. The price of gold, in turn, is likely to affect the market prices of securities of companies mining or processing gold, and accordingly, the value of investments in such securities may also be affected. Gold-related investments as a group have not performed as well as the stock market in general during periods when the US dollar is strong, inflation is low, and general economic conditions are stable. In addition, returns on gold-related investments have traditionally been more volatile than investments in broader equity or debt markets.

All investments involve the risk of loss of principal.

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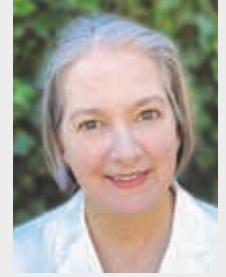
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Grace Holzer joined First Eagle in 2019. She most recently assisted in coverage for the NJ/PA and VA/DC/MD Territories. Previously, she was at OppenheimerFunds as a regional advisor consultant covering North Florida, parts of Georgia, and Puerto Rico. Before transitioning to finance, she worked in Bloomingdale's Merchandising Executive Development Program. Grace earned a BA in marketing and management from Northeastern University.

2022 FPA NORCAL CONFERENCE

Come Celebrate our 50th Annual FPA NorCal Conference!

BY SARA ELLEFSEN / MARKETING CHAIR / FPA NORCAL CONFERENCE COMMITTEE



It's our 50th anniversary! We are celebrating in person at The Palace Hotel in San Francisco on May 31 and June 1, 2022. The theme for our Golden Anniversary 2022 is TOGETHER. The first regional conference was held in 1972, and while it has evolved over time, the prevailing ethos remains one of fostering professional excellence and building community.

It underscores the remarkable time, effort, and commitment by so many people over the years to build and further our profession: founders, committee members, speakers, institutional partners, and YOU—the attendees.

Over the years we have had a stellar lineup of speakers, including:

- Michael Lewis, financial journalist and author of *The Big Short*, *Moneyball*, and *Liar's Poker* (2011)
- Janet Yellen, former president of the Federal Reserve Bank of San Francisco, former chair of the Federal Reserve, and current secretary of the US Treasury (2008)
- Jennifer Granholm, former governor of Michigan, now US Secretary of Energy (2020)
- Rosie Rios, former treasurer of the United States (2018)
- Sal Khan, educator and founder of the Khan Academy, named as one of the “100 Most Influential People in the World” by *TIME* magazine (2018 and 2021)

As we prepare to celebrate our 50th anniversary, we look forward to partnering with you to better serve our profession, our communities, and our world. The conference committee is hard at work to develop the schedule for 2022 and is looking forward to hosting another robust lineup of speakers.

As in the past, our format will include two full days with six tracks of sessions with six speakers each, for a total of 36 sessions. The content features topics from industry leaders and colleagues designed to further the collective knowledge base of our profession.

In addition, each day will kick off with a nationally recognized speaker of the caliber you've come to expect from FPA NorCal Conference. There are two amazing keynotes each day—all not to be missed!

Registration also includes a post-conference recording of all sessions, so you will not miss any of the topics.

The 2022 conference will be held on May 31 and June 1, 2022. The cost is \$999 for FPA members and \$1,149 for non-members. Early bird registration is available until January 28, 2022, for \$799 (FPA members) and \$949 (non-members).

Check our website for more information as we continue to update the speaker lineup with their pertinent topics and reveal our special 50th anniversary keynote speakers. You can book your hotel room reservation on our website. www.fpanorcal.org. Register now and join us in person on May 31, 2022 at The Palace Hotel to celebrate our milestone year—TOGETHER!

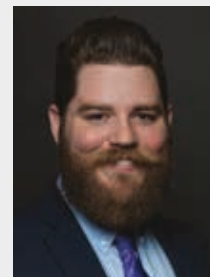
Sara Ellefsen is an advisor who has lived and worked in the Bay Area for over 20 years. Her firm, Golden Gate Personal Financial Planning LLC, is an independent registered investor in San Francisco.



BOARD BLURB

11th Annual San Francisco Financial Planning Day

BY BRODY LUEBKEMAN / DIRECTOR OF PRO BONO / FPA OF SAN FRANCISCO



After volunteering with the FPA of San Francisco Pro Bono Committee over the years, it is a pleasure to write about what I feel is the crown jewel of our pro bono calendar. There are so many ways in which we can give our time, but Financial Planning Day is one of the best pairings of professional experience and community service.

What is all the fuss about the 11th annual San Francisco Financial Planning Day?

Financial Planning Day (FPD) is one of my favorite days of the year. It is also one of the most exhausting! There is a ton of work that goes on behind the scenes so that our volunteers and attendees can have the very best day possible. Attendees receive free, no strings-attached financial advice from CERTIFIED FINANCIAL PLANNER™ professionals. Our amazing volunteers give their time and expertise to work with local residents one-on-one to address important financial issues such as budgeting, getting out of debt, should they get into crypto, income taxes, paying for college, estate planning, insurance, and more. I am never more energized than when running around the library encouraging everyone, hyping up those whose coffee hasn't yet kicked in, and seeing so many amazing people come together to do good. Much like working with clients year over year, some faces stick out as folks return each year and our planners get to see the progress attendees have made since our previous FPD. Given the virtual nature of our offering this year, we were able to extend our reach far beyond the city of San Francisco and even outside the state of California!

How did this event look different than any other year?

The 10th annual Financial Planning Day was a tremendous success, with the mayor of San Francisco stopping by to address the attendees and volunteers. And then Covid-19 derailed our plans for 2020, so we took the year off. Our desire to serve our community prevailed this year, albeit looking much different than when we gather in the San Francisco Library with our friends. I am so proud of our team of volunteers for rallying and rising to the occasion. With a combination of technologies, we were able to meet with 54 community members to deliver necessary financial education via Zoom. I had my doubts the morning of, but we made it happen and the WiFi held strong. With four of us on the conference call throughout

the day, we greeted attendees in the waiting room and inquired as to their specific planning needs and questions. We then would usher them into a breakout room to meet with our rockstar CFP® financial planners for about 30 minutes to discuss whatever financial questions they had. Once complete, a number of the attendees would pop back into our main Zoom room beaming from their session proclaiming how amazing the planners were, and how valuable the event was to them. While we don't get to take part in these intimate conversations, hearing their rave reviews is reward enough.

In a more typical year, while all of the above was taking place, we simultaneously hosted speaker sessions for hundreds of attendees to learn general information on a range of topics. But this year we asked each of our speakers to present virtually so anyone with access to the internet could tune in. Not to be left out, anyone who wished could attend in person at the Koret Auditorium where we livestreamed all of the sessions. Our speakers presented on both basic and more advanced investment topics, planning for college and home purchases, tax planning, and how to discuss financial planning as part of your marriage.

Thank you, volunteers!

This day takes a village, and I want to officially give a huge thank you to everyone who made it the perfect day that it was. We hope to return next year physically at the library. If you are interested in getting involved for next year, we need you! Whether you are a CFP® professional or see yourself as more of a logistics volunteer, please reach out to our committee. We would love to get you signed up. It really is one of the most rewarding aspects, I feel, as part of this profession and I invite you to see what it is all about in 2022.

Brody entered the financial services industry seven years ago guided by a desire to put more good into the world and help others do the same. He has served on the FPA of San Francisco board as director of NexGen and will be director of Pro Bono in 2022. He is currently in the early stages of launching a professional coaching business.

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Advocacy

BY STEVE CARDER, CFP® / CHAIR / FPA OF CALIFORNIA



How did 2021 go by so fast, yet seemingly at a sloth's pace? There were so many challenges, many more than any chapter's board had anticipated. California advocacy has always been simple and easy—two meetings with California legislators each year (March and September) and an optional June trip to Washington, DC...not this year.

What did we learn?

One thing we learned, yet maybe underestimated, is the value of the connection in face-to-face, in-person legislator/regulator meetings. The difference in engagement between our March all-virtual Advocacy "Week" and our September in-person/virtual hybrid Advocacy Day in Sacramento was almost night and day. Maybe it was demonstrating our commitment by just being there (often, we were the only outsiders in the Capitol building hallways). After all, despite being there, two-thirds of our meetings were virtual. The hybrid approach also enabled and attracted new FPA member participants, making up a third of all Advocacy Day participants, perhaps an unprecedented number.

We also learned that being flexible also meant being more effective in the circumstances. Advocacy Week was moved from September to March; Advocacy Day moved from March to September; Washington, DC was all virtual and in combination with NAPFA and the CFP board.

We partnered with the California chapters' Pro Bono Committees and learned how we could hold two, week-long pro bono events exclusively for legislative staff. We feel this has the effect of informing and educating the staff members of the process and value of financial planning. As we engage with them again in their careers, we hope that they will value the role of a financial planner and the resources of the FPA for their districts.

On the topic of FPA resources, members of the California chapter are engaged in various areas where our resources could possibly make a difference. We work with CA Jump\$tart toward financial literacy, and CalSavers has re-engaged with us, now that the program has expanded to employers with five or more employees. Mark Prendergast from the Orange County and California chapters was involved in the design process of CalSavers.

The California chapter focus has been on external organizations that could have an influence on our clients and practices. This year we learned that we may also need to focus internally, meaning the FPA and CFP boards.

We had a request resulting from our Advocacy Day meetings asking for a "financial planner standard." The FPA has a "standard" in some state of development, but it was not something we could provide to our legislator. Like each FPA chapter, the California chapter has a delegate on the national FPA Advisory Council. The Advisory Council curates input from all chapters and makes recommendations, ultimately, to the FPA board. We will try to push for the completion of the FPA "standard" via the Advisory Council and hope for your chapters' support, as well.

Also, the CFP board has been proposing some enforcement changes that, in one case, is retroactive five years. We hope to find a means to have a voice here, too, other than public comment.

I will be moving into the chair position for 2022. Catherine Magaña will be the 2022 president. She has been in advocacy in San Diego, their chapter president, and president of the Chamber of Commerce. Catherine will be a real asset for FPA of California in her new role.

Lastly, we are sadly losing one of our longest standing California chapter members to retirement: John Longstaff. For as long as I can remember, John was at our events advocating in his down-home and humorous way. He has always been someone you really listen to when he speaks. We will miss him and his inimitable style. John, thank you for many great years, and we wish you the best in your next journey.

The FPA of California is an advocacy-only chapter, whose chapter members are the Advocacy Committee chairpersons from all 11 California chapters.

Steve Carder is a private wealth advisor at Sagemark Consulting and a CFP® practitioner, is a graduate of the University of Colorado, and earned an MBA from Pepperdine University. He also participates in the Pepperdine alumni group and is the FPA of California chapter chair for 2022. Steve lives in Irvine and has two children.

FPA PRIMARY AIM

The primary aim of FPA is to elevate the profession that transforms lives through the power of financial planning. FPA supports high standards of professional competence, ethical conduct, and clear, complete disclosure when serving clients.

CHAPTER EVENTS

Featured Events
and MeetingsFINANCIAL
PLANNING
ASSOCIATION

Date

January 5

Time

7:00 – 9:00 am

FINANCIAL
PLANNING
ASSOCIATION
EAST BAY**Topic****Chapter Meeting:**
2022 Economic and Stock
Market Outlook**Location**Round Hill Country Club, 3169
Roundhill Road, Alamo and
online**Speaker****Charles Blankley, CFA,**
chief investment officer,
Gemmer Asset Management**Overview**As the economy recovers from
the first self-imposed recession
in history, Charles Blankley will
review the economic conditions
we'll be facing in 2022. He will
look at the major economic
factors, discuss asset allocation
outlooks and talk about risks on
the horizon.**Speaker's Bio****Charles Blankley, CFA** is the
Chief Investment Officer at

Gemmer Asset Management.

Charles leads the investment
committee and is responsible for
the tactical position of more than
\$1.4 billion in assets for financial
advisors and their clients.**CE Credits**1 hour of CE credit is pending
approval by the CFP board for
this session**Cost**\$89 in person or zoom
(members receive 50% discount)**\$399 Members' Season Pass**

(available January 5)

*Preregistration and proof of
vaccination or negative Covid PCR
test will be required for entry.***For More Information or
to Register**www.fpaeb.org**Sponsor**David Shaffer, David Shaffer
Insurance Services**2022 FPA OF THE
EAST BAY MEETINGS***Meetings are held at Round Hill
Country Club, 3169 Roundhill
Road, Alamo and via Zoom.
Unless noted, meetings are
7:00 – 9:00 am in-person and
7:30 – 9:00 am virtual.*

Wednesday, January 5

Wednesday, February 2

Wednesday, March 2

Wednesday, April 6

Wednesday, May 4

No June or July meetings

Thursday, August 4

Thursday, September 8

Wednesday, October 5

Thursday, November 3,
11:00 am to 1:00 pm

Wednesday, December 7



Date

January 11

Time

3:00 – 4:30 pm

FINANCIAL
PLANNING
ASSOCIATION
SAN FRANCISCO**Topic****Chapter Meeting Webinar:**
Overview of Tax Changes**Location**

Online

Speaker

TBD

Overview

TBD

CE Credits1 hour of CE credit is pending
approval by the CFP board for
this session**Cost**

\$30 FPA Members

\$80 Non-Members

\$10 Students

**For More Information or to
Register**www.fpasf.org**2022 FPA OF SAN FRANCISCO MEETINGS**Meeting times are TBD unless noted below. Please see the FPASF
website, www.fpasf.org, for updated information.

Tuesday, January 11, 3:00 – 4:30 pm

Tuesday, February 8

Tuesday, March 8, 3:00 – 4:30 pm

No April meeting

Tuesday, May 10

Tuesday, June 14

No July meeting

Tuesday, August 9

Tuesday, September 13

Tuesday, October 11

Tuesday, November 8

Tuesday, December 13



Date
January 14

Time
9:00 – 10:30 am

FPA
FINANCIAL
PLANNING
ASSOCIATION
SILICON VALLEY

Topic
Chapter Meeting Webinar:
State of the Silicon Valley
Economy

Location
Online

Speaker
Larry Stone, Santa Clara County
Tax Assessor

Overview
Larry Stone, named one of Silicon Valley's 100 most powerful leaders by *San Jose Magazine*, will dispense his broad knowledge of economics and real estate to discuss the local Silicon Valley economic landscape, ranging from the economic impacts of recent Covid-19 trends to a survey of the local real estate market. Mr. Stone's analysis of local real estate will encompass the broader market.

Speaker's Bio
Larry Stone was first elected Assessor in 1994 and overwhelmingly re-elected six times by the residents of Santa

Clara County, the "Capital of Silicon Valley." The County boasts a population of 1.9 million—greater than that of 13 states. Stone has also been a financial manager on Wall Street and co-founded a successful Bay Area real estate investment and development firm. He served 16 years as a council member and mayor of Sunnyvale, a period during which the city earned an international reputation for effectiveness and became a model for President Clinton and Vice President Gore's efforts to reform the federal bureaucracy.

CE Credits
1 hour of CE credit is pending approval by the CFP board for this session

Cost
\$40 FPA Members
\$75 Non-Members
\$10 Students

For More Information or to Register
www.fpasv.org

2022 FPA OF SILICON VALLEY MEETINGS

Unless noted, meetings will be held online from 9:00 – 10:30 am.

Friday, January 14

Thursday, February 10, 4:00 – 6:00 pm at Topgolf San Jose

Friday, March 11

Friday, April 8

Thursday, May 12, 4:00 – 6:00 pm at Top Golf San Jose

No June meeting

Friday, July 8

No August meeting

Thursday, September 9, 4:00 – 6:00 pm at Topgolf San Jose

Friday, October 14

Friday, November 10

Friday, December 9, 4:00 – 6:00 pm, in-person holiday event

CHAPTER EVENTS

Upcoming Event Listings



**FINANCIAL
PLANNING
ASSOCIATION**

January 2022

FPA of the East Bay

Date: January 5
Topic: Chapter Meeting: 2022 Economic and Stock Market Outlook
Location: Round Hill Country Club, 3169 Roundhill Road, Alamo and online
Time: 7:00 – 9:00 am
Speaker: Charles Blankley, CFA, chief investment officer, Gemmer Asset Management
See opposite page for event details

FPA of San Francisco

Date: January 11
Topic: Chapter Meeting Webinar: Overview of Tax Changes
Location: Online
Time: 3:00 – 4:30 pm
Speaker: TBD
See opposite page for event details

FPA of Silicon Valley

Date: January 14
Topic: Chapter Meeting Webinar: State of the Silicon Valley Economy
Location: Online
Time: 9:00 – 10:30 am
Speaker: Larry Stone, Santa Clara County Tax Assessor
See above for event details

February 2022

FPA of the East Bay

Date: February 2
Topic: Chapter Meeting: Lessons from the Trenches: How to Define, Measure and Improve Client Success
Location: Round Hill Country Club, 3169 Roundhill Road, Alamo and online
Time: 7:00 – 9:00 am
Speaker: Vincent Crivello, client experience and communication director, Buckingham Wealth Partners
For more information or to register:
www.fpaeb.org

FPA of San Francisco

Date: February 8
Topic: Chapter Meeting Webinar: Economic Forecast
Location: TBD
Time: TBD
Speaker: TBD
For more information or to register:
www.fpasf.org

FPA of Silicon Valley

Date: February 10
Topic: Tax Update Presentation and Happy Hour Networking
Location: Topgolf, 10 Topgolf Drive, San Jose
Time: 4:00 – 6:00 pm
For more information or to register:
www.fpasv.org

March 2022

FPA of the East Bay

Date: March 2
Topic: Chapter Meeting: TBD
Location: Round Hill Country Club, 3169 Roundhill Road, Alamo and online
Time: 7:00 – 9:00 am
Speaker: TBD
For more information or to register:
www.fpaeb.org

FPA of San Francisco

Date: March 8
Topic: Chapter Meeting Webinar: Advanced Planning Issues
Location: Online
Time: 3:00 – 4:30 pm
Speaker: TBD
For more information or to register:
www.fpasf.org

FPA of Silicon Valley

Date: March 11
Topic: TBD
Location: Online
Time: 9:00 – 10:30 am
For more information or to register:
www.fpasv.org



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Annual Strategic Planning Meeting



**FINANCIAL
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A successful collaboration of local and national leadership planning for 2022 took place in December. The 15th Annual FPA Regional Strategic Planning Meeting included board members from the four Bay Area chapters: East Bay, Northern California, San Francisco, and Silicon Valley, plus representatives from FPA of California, FPA National, and www.Advisersgiveback.org.

