

# ABEALL

## Financial Planning • Wealth Management

### Winter 2009

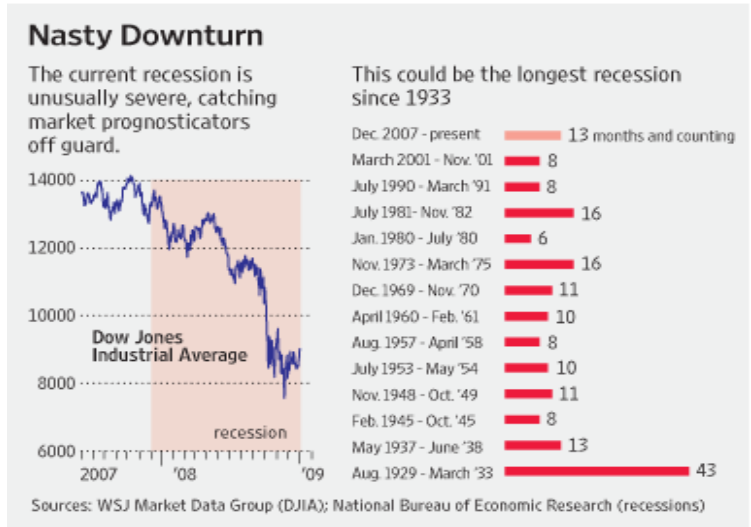
#### Important News!

- Colleen and her husband Scott are happy to announce that they are expecting their second son. He is due on March 5th. She will be on Maternity leave for at least 6 weeks.
- Taxes are due by April 15th.
- IRA contributions due by April 15th.

#### A New Year and a new reality.

We all want to wish you a happy and prosperous New Year. After the year that was 2008 and the volatility and uncertainty that it brought into our lives, I for one am looking forward to a new year and the potential that it offers all of us.

We all know and are aware of the stress many are under from the recession the economy is undergoing. If you know of anyone, friend or family, that could use our services please introduce us to them or give them one of our cards that we have included with this newsletter. Many people do not want to open their statements or review their investments because they are afraid of what they may find or do not want to admit they may have made a mistake. We will not judge them on their past mistakes, we just want to help them not



make the same mistakes. As always we will maintain strict confidentiality.

The new reality we face is that the markets are facing the headwinds of deflation, credit problems, unemployment, and a massive involvement of the government in the private sector. The consumer is embracing frugality further disrupting an economy that had embraced consumption. We can expect housing to at best stabilize but faced with a wave of un-

employment is more likely to fall further.

The new reality facing many families is to save more spend less and work longer. There are opportunities in all the bad news. If you need a new vehicle, the deals are there. If you need that new appliance the deals are there and with free financing. If you have the cash flow, cash is king, and the opportunities are there. The new reality is that people will have to work longer before retiring.

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Joyce Evelyn Beall  
proudly showing off her  
Daisy Girl Scout uniform.

*Wall Street financiers, Congress and their aides, and their regulators are all part of the same club...*

## RMD Rule Change

Due to late December Congressional action there have been some modifications to Required Minimum Distributions from IRAs and other retirement accounts. If you are currently taking or having to take a required minimum distribution from your retirement account your RMD can be suspended for the year 2009. From IRS publication 575: **Temporary waiver of required minimum distributions**

For 2009, you are not required to take an RMD from your IRA or employer-provided qualified retirement plan. This waiver applies to participants in these plans as well as beneficiaries. The waiver also applies to those individuals who turn 70 1/2 in 2009 and delay their 2009 RMD until April 1, 2010. This waiver **does not** apply to RMDs for 2008, even for individuals who turned 70 1/2 in 2008 and choose to take the 2008

RMD by April 1, 2009. If you received a distribution in 2009 that would otherwise be an RMD, you can roll over that amount into an eligible retirement plan within 60 days of the distribution. The plan administrator is permitted, but not required to offer a direct rollover of that amount. Also, the distribution is not subject to the 20% income tax withholding requirement.

## Your Cookie Resource

Joyce Evelyn Beall is proud to announce that she is selling Girl Scout Cookies this year!

All the usual cookies are available this year plus two new ones!

If you don't already have a source for your Girl Scout

Cookies then she will gladly offer you her services as a Cookie procurer. Boxes are only \$3.50 each. Payable at time of order. The cookies: Samoas, Trefoils, Thin Mints, Tagalongs, DO-SI-DOS, sugar free chocolate chips and the two new flavors Dulce de

Leche (cookies with milk caramel chips and stripes) and Lemon Chalet Crèmes (vanilla sandwich with a hint of cinnamon-ginger spice and a lemon crème filling.) Please contact Jim at the office if you wish to order. This is a limited time offer.

## Institutional Façade

What the Madoff scandal has done is begin to expose the façade of our institutions in Washington. In particular the SEC, which despite many notifications, alerts and letters; not only did not find anything in their inspections of his firm but gave him flying colors.

Wall Street financiers, Congress and their aides, and their regulators are all part of the same club. They exchange jobs going from being regulated to be the regulator and vice versa. There is a not so funny joke that opines on the difference between the Madoff Ponzi Scheme and Social Security

and the only difference being that at least Madoff tried to make money for his clients. Obama's pick for the SEC Mary Shapiro is just another member of the club. She will most likely not impose the Fiduciary standards onto the brokerages, but instead impose larger regulatory burdens on those financial plan-

ners who do accept fiduciary responsibility. The true damage though is on the perceptions around the world that the SEC and the USA can't regulate their capital markets and maybe they should look into investing elsewhere. Then who would finance Congress and their spendthrift ways?