

Women Faith and Finance

PLANNING FOR GIVING

Women, Faith, and Finance is a collaborative initiative led by Luther College to educate women of all ages about financial management, retirement and estate planning, and charitable giving.

Virtual Luncheon Keynote April 8



Jayne Ellegard, founder of Ellegant Wealth

The annual Women, Faith, and Finance seminar will, once again, take place in a virtual format this year with a one-hour luncheon keynote presentation by Jayne Ellegard on Friday, April 8, at noon (CT). The event will be presented live via Zoom.

As founder of Ellegant Wealth (that's not a typo—it's a wordplay on her last name), Jayne's mission is to empower women of all ages to show up and own their financial journey with courage, confidence, and wisdom. She spent 34 years managing wealth for high-net-worth individuals and wealthy families. During that time, Jayne observed a gap in the financial education women have received. Two years ago, she decided to

leave her job as a senior vice president and follow her passion to help women learn about money and experience financial transformation.

In her interactive virtual presentation for our WFF audience, "Discover Your Financial Brilliance . . . Even in a Pandemic," Jayne will share three tangible steps women can take to move forward with confidence in their financial journey. These concepts build from her new book, *Financial Empowerment for Women: Your Guide to Courage, Confidence & Wisdom*, published in 2021. Jayne believes learning about money can be enjoyable and fun—and so do we! Join us to hear about her creative approach based on real experience.

The annual Women, Faith, and Finance seminar is open to the public and draws a multi-generational audience. **This virtual event is being offered free of charge. However, those wanting to participate must register to receive the Zoom link.** Registration information is included on page 3 of this newsletter. A link to the recording of Jayne's presentation will also be available.

Given the positive response to last year's virtual keynote and the ongoing uncertainties of

planning for an in-person event this spring, the WFF Advisory Group decided to proceed with another online gathering. The decision to offer this complimentary event is twofold: a way to thank past participants for their involvement and an opportunity to invite new people to experience the high-caliber speakers we offer at our annual seminars. By, once again, offering a luncheon keynote event virtually (and making a recording available to share) at no cost to participants, the WFF advisory group hopes to expand the reach of the existing program well beyond the tri-state region. Most importantly, we get to keep learning together!

Three sponsors are generously supporting this year's virtual event, including the Arlin Falck Foundation, Decorah Bank and Trust Company, and Luther College. In celebration of our 18th year of the WFF Initiative, we will be giving away 18 copies of Jayne's new book, as part of this online event.

We invite you to extend this invitation to friends, family members, neighbors, and coworkers who may be interested in experiencing another terrific WFF speaker.

Advisory Group

The Women, Faith, and Finance Advisory Group includes the following members:

Donella Darrington
Tracy Dostal
Maureen Duncklee
Angela Leuenberger
Jeanie Lovell
Lynn Monroe
Maggie Schoepski
Julie Strom Hendrickson

As always, we welcome your ideas and input!



"When we give cheerfully and accept gratefully, everyone is blessed."

—Maya Angelou

IRAs in 2022: New RMD Tables

Retirement assets can be an excellent source of gifts to charity with favorable income tax results for the donor. Lifetime gifts of IRA funds may be especially valuable when donors are approaching or already subject to required minimum distributions (RMDs).

With the coming of 2022, new RMD tables will be implemented. The new RMD tables will bring smaller mandatory distributions for retirement account owners. The changes on average will reflect a reduction of a few basis points. Under the 2022 RMD tables, investment returns may outpace the RMD for many years, which would allow account balances to increase.

Required Minimum Distributions

In 2021, the RMD for an individual at age 72 was approximately 3.9%. In contrast, the RMD for a 72-year-old is approximately 3.7% under the 2022 tables. The reduced RMD percentages will benefit account owners as the smaller mandatory withdrawals may

allow the retirement accounts to maintain a higher balance for a longer period of time.

Most individuals who turned 70½ in 2019 or earlier are required to withdraw RMDs each year. In 2019, the SECURE Act changed the law, allowing the required minimum distributions for individuals turning age 70½ in 2020 or later to begin at age 72.

Qualified Charitable Distributions

A qualified charitable distribution (QCD) is a gift from IRA funds made directly to a charity and facilitated by the custodian of the donor's account. A QCD is often referred to as an IRA charitable rollover. Although legislation has changed the RMD starting age, fortunately, the age for making a QCD has remained the same at age 70½. Loyal donors may choose to simplify their charitable giving by using an IRA. This may be an especially attractive option for donors who choose not to itemize tax deductions.

Each IRA owner over age 70½ may give up to \$100,000 per year in QCD gifts. QCD gifts are made to public charities for the general fund or a designated purpose. They

may not be made to a donor-advised fund, supporting organization, or private non-operating foundation. QCDs do not produce a charitable deduction for a donor. Rather, QCDs reduce a donor's tax liability by bypassing the income tax that would otherwise be due on the retirement distribution when withdrawn. This is a special opportunity for donors falling between ages 70½ and 72, as the QCD may help mitigate future income tax liability.

The 2022 IRA RMD tables have reduced the mandatory withdrawal percentages for account owners. The IRA charitable rollover or QCD remains a valuable planning option for donors who wish to mitigate the income tax consequences of current and future RMDs through their philanthropy. This result may be particularly compelling for those who took advantage of the CARES Act RMD waiver and now have larger account balances and larger future RMDs.

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Don't Avoid "Taboo" Topics with Older Parents

If your parents are getting close to retirement age, or are already retired, it may be time to talk with them about financial and aging issues, some of which may involve difficult conversations. For the sake of everyone in your family, don't avoid these "taboo" topics.

You'll need to be careful about approaching these subjects with your parents. Mention ahead of time that you'd like to talk to them about their future plans and reassure them that you want to understand their wishes, so their affairs will be taken care of as they would like.

If your parents are agreeable, choose a location comfortable for them and ask whom they might like to invite (or not invite). Then, think about how to open the conversation, preferably not with what they want to do with their money—this could be interpreted as your seeking information about your inheritance or being skeptical about their financial decisions. Instead, build a broad-based discussion about their vision for their aging years. A series of shorter conversations may allow you to cover topics more comfortably, one by one, rather than trying to solve everything at once.

Try to address these areas:

- **Health care**—You'll want to learn if your parents have established the appropriate health-related legal documents—a health care power of attorney, which gives someone the authority to make important decisions about their medical care if they become unable to do so themselves, and a living will, which spells out the extraordinary medical treatments they may or may not want.
- **Independence**—As people age, they may begin to lose their independence. Have your parents considered any options for long-term care, such as a nursing home stay, or the services of a home health aide? And do they have plans in place? If they plan to receive support from family members, do their expectations match yours?
- **Financial goals**—Focusing on the personal and financial aspects of the legacy your parents want to leave can be a valuable conversation. Have your parents updated their will or other arrangements, such as a living trust? Have they named a financial power of attorney to make decisions on their behalf if they become incapacitated?

Do they have the proper beneficiary designations on their insurance policies and retirement plan accounts? If you can position these issues as being more about your parents' control over their financial destiny, rather than "who will get what," you'll more likely have a productive conversation.

- **Last wishes**—You'll want to find out if your parents have left instructions in their will about their funerals and last wishes. Express to them that you, or another close family member, should know who is responsible for making sure their wishes are met.

Money, independence, and aging can be sensitive topics. Don't think you have to go it alone—you can enlist help from another close family member. Or, if you know your parents are working with a trusted advisor, such as an attorney or financial professional, you could see if they'd be willing to have this person participate in your talks. You might even be able to introduce them to one of your advisors.

In any case, keep talking. These conversations can be challenging, but, if handled correctly, can be of great benefit to your parents and your entire family.

Source: Edward Jones

What should you do with a tax refund?

Are you expecting a tax refund this year? If so, what will you do with it?

Of course, the answer largely depends on the size of your refund. For the 2020 tax year, the average refund was about \$2,800, according to the Internal Revenue Service. But whether your refund this year will be about that size, smaller, or larger, you can find ways to benefit from the money.

Consider these suggestions:

Contribute to your IRA. You've got until April 18 to fund your IRA for the 2021 tax year, but if you've already reached the maximum amount, you can put money in for 2022.

Build up the "cash" portion of your portfolio. By having cash available, you'll be ready to take advantage of new investment opportunities.

Invest in a 529 education savings plan. These plans can assist your children or grandchildren.

Boost your emergency fund. Ideally, this fund should contain three to six months' worth of living expenses to help meet unexpected costs, such as an expensive repair to your home or car.

Pay down your debts. Start with those that carry the highest interest rates.

Make a charitable gift. Your generosity will be appreciated, and you could earn a tax deduction.

A tax refund is always nice to receive—and it's even better when you put the money to good use.

Source: Edward Jones

Women Faith and Finance

PLANNING FOR GIVING

A complimentary one-hour virtual event to educate women of all ages about finance and philanthropy

Friday, April 8, 2022

12 noon–1 p.m. (CT) via Zoom

Virtual Luncheon Keynote

**"Discover Your Financial Brilliance
... Even in a Pandemic"**

Jayne Ellegard, founder of Ellegant Wealth

Free of charge, but you must register.

Registration deadline: Tuesday, April 5, 2022

Online registration is available!

luther.edu/wff



Online Door Prizes!

In the spirit of our longtime WFF traditions of offering complimentary resource books to participants and drawing for door prizes at the seminar, we'll be giving away 18 autographed copies of Jayne Ellegard's book (in honor of our 18th year) during the virtual event on April 8. Special thanks to Decorah Bank and Trust for its generous sponsorship. Must be present online to win. Books will be mailed to the lucky winners.

Registration Form

The Women, Faith, and Finance virtual keynote presentation is a great opportunity to learn from a dynamic and knowledgeable speaker. Please extend this invitation to other women who may wish to join you for this free online event.

guest

Name _____
(Please print)

Name _____
(Please print)

Address _____

Address _____

City _____

City _____

State _____ ZIP _____

State _____ ZIP _____

Phone _____
(With area code please)

Phone _____
(With area code please)

Email Address _____
(Required to receive Zoom link)

Email Address _____
(Required to receive Zoom link)

WFF Participation

- I am a first-time WFF participant.
 I have participated in past WFF seminars.

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Recording of Virtual Presentation

- I plan to participate in the Zoom webinar and would like the link to share with others.
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Please return the completed form to: Women, Faith, and Finance Virtual Event, Luther College, 700 College Drive, Decorah, IA 52101. For more information, contact the Luther College Development Office at (563) 387-1525 or email lovellje@luther.edu.

Luther College
700 College Drive
Decorah, Iowa 52101

**Event registration form is
included in this newsletter!**

Friday, April 8

*“Giving frees
us from the
familiar
territory of
our own needs
by opening our
mind to the
unexplained
worlds occupied
by the needs of
others.”*

—Barbara Bush

From the Director

Rest assured, spring is coming! And with spring comes another excellent learning opportunity through the Women, Faith, and Finance Initiative. We're delighted to welcome Jayne Ellegard as our virtual luncheon keynote speaker on April 8.

When I first heard about Jayne and the mission of her work through Ellegant Wealth (thanks to a colleague and past WFF participant), I immediately thought of our multigenerational audience. Jayne's new book centers on Six Pillars to Financial Empowerment that apply to all women, regardless of age, wealth level, or current financial knowledge. Jayne helps women learn about their money mindset and how money intertwines with every aspect of our lives. Her message from the very beginning is clear: "First, it's never too late. Second, it's never too early. Start now. Right now!" Jayne's enthusiasm for helping women learn more about all things related to money really shines through, and she brings joy to what can sometimes feel like overwhelming topics. I hope you'll join us for her virtual keynote (and what we hope will be a preview to a future in-person seminar in a coming year). It promises to be an hour well spent!



Jeanie Lovell, CFRE
Program Director, Women, Faith, and Finance Initiative