



**FALCON**  
WEALTH ADVISORS



# Wealth Journal

Clients choose to work with us to help enhance their financial literacy and explain exactly what their financial plan means to them.

2024 | Edition



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## Meet Jake Falcon

Our office move (April 2023) to the main floor of the 1900 building proved to be an easy transition, and we are excited to use the new space to hire more team members and host more client events.

We were humbled to have over 50 new clients hire us to help them with their financial planning and investment management in 2023. As a result of our continued success, we have hired five additional team members. Please help me welcome them to Falcon Wealth Advisors! Jordan Rehkow (Financial Planning), Luke Sullivan (Communications), Joe Rost (Financial Planning), Colby Morris-Lovell (Communications), Drew Van Scyoc (Operations).

Our back-office support with Hightower continues to evolve, and we remain committed to focusing on serving our clients.

Nothing significant changed legislation-wise from a Financial Planning standpoint in 2023. Our tax planning meetings have proven a benefit to our clients who are interested in learning how to potentially lower their lifetime tax liability. Also, we now have the capability to manage 401k assets directly held at your employer-sponsored plan. We believe if we can monitor your investments, you have a better chance of making sure everything is aligned according to your financial plan. We have updated our planning observations to include a spend rate with a target rate of return to give our clients more confidence when understanding what their financial plan means to them. We are also going deeper with our planning, and every client is welcome to meet with our planning group to have what we are calling a Financial Organization meeting. Please contact anyone on the team to learn more about how we can better align your investments according to your financial goals.

2023 proved to be an interesting year in the markets. The tragedy of war has dragged on with Ukraine and Russia, and further horrific news was created with Israel and Gaza. Our thoughts and prayers go out to everyone involved. With further global uncertainty, the S&P sector return was largely driven by what they are calling "The Magnificent Seven" (Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla). Inflation has cooled from where it was a year ago, and unemployment numbers ticked up ever so slightly. We are hopeful for a broader market rally and an avoidance of a recession as we enter an election year in 2024. With the increase in the Federal Funds Rate, we have experienced a bond-buying opportunity like we haven't seen in a decade and are looking to take advantage of locking in yield where makes most sense for each client. Buckle up as we certainly expect there to be more news on the horizon. Whether it be the upcoming presidential election, inflation, interest rates, or any other world events, we will be sure to keep you up to date on our opinion and how we will navigate the ever-changing landscape.

On a personal note, Rachel and I had a blast in Europe last year exploring Amsterdam and France! Our favorite pooch Einstein continues to entertain us and provide us with a friendship that is unexplainable. I completed the Integral Leadership Program through Stagen and was excited to administer the Foundational Leadership Course to a portion of my team. I plan to take the rest of the team through the course this year. We seek to self-improve so that we can better serve our clients as well as work more effectively with each other. I had another great year of playing golf and was even lucky enough to win a Falcon Wealth Advisors Tour Event! Rachel made some important shifts with her business, *The Independent Magazine*, and I couldn't be prouder of what she has accomplished and what lies ahead for her and her team.

Lastly, I cannot thank our clients enough. I am very grateful that I get to work alongside and advise some truly amazing individuals. Even though me and my team work many hours, I still don't consider what I do for a living as actual "work." I do it because I know it impacts our clients and it changes their lives for the better.

Clients choose to work with us to help their financial literacy and explain exactly what their financial plan means to them.

## A Note from Our Founder

**Thank you for your trust,  
Jake Falcon, CRPC®  
Founder and CEO**

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# OUR TEAM

## **WEALTH MANAGEMENT:**

Our wealth advisors collaborate closely with clients, crafting sophisticated yet clear strategies to help you reach your financial goals.

## **FINANCIAL PLANNING:**

Supporting our wealth advisors, financial planners use shared resources to tailor your financial plan, ensuring it's designed just for you.

## **CLIENT OPERATIONS:**

Our knowledgeable account managers handle all your account needs, striving to deliver an experience that exceeds your expectations.

## **INVESTMENT MANAGEMENT:**

Guided by our portfolio manager and analysts, your account is managed daily to align with your financial plan.

## **COMMUNICATIONS:**

Our communications team keeps clients informed and works diligently to convey Falcon Wealth Advisors' vision and mission in everything we do.

# TEAM UPDATE



## **Jake Falcon, CRPC®, Founder and Wealth Advisor**

With more than a decade of experience in the financial services industry, Jake is committed to helping clients pursue their financial goals, navigate the markets through both good and uncertain times, and preserve their legacies.

Jake works closely with clients to develop sophisticated, yet clear, strategies to help them achieve their objectives. He monitors both the retirement planning and investment landscape to stay up to date on the latest trends to help optimize appropriate financial solutions for clients. Additionally, he is responsible for the oversight of Falcon Wealth Advisors' culture and is committed to providing clients with an excellent experience.

Jake earned his bachelor's degree in business administration from the University of Texas at San Antonio. He holds the Chartered Retirement Planning Counselor® (CRPC®) designation and has completed the Investment Strategies and Portfolio Management Executive Education Program at The University of Pennsylvania's Wharton School of Business. In 2016, Jake was featured in Ingram's Magazine's prestigious "40 Under 40" list. He was also listed in the Forbes 2018, 2019 and 2020 list of America's Top Next-Gen Wealth Advisors. Additionally, Jake was included in Forbes' list of Best-In-State Wealth Advisors for Kansas in 2021, 2022 and 2023.

Outside of the office, Jake enjoys playing golf, attending sporting events, traveling, and spending time with his wife, Rachel, and their dog, Einstein.

## **Cory Bittner, CRPC®, Co-Founder and Wealth Advisor**

Cory has spent his entire professional career dedicated to financial planning and asset management. His personal relationships allow him to help guide clients toward their retirement goals with careful planning and attention to investment details.

Cory works with clients to create and implement comprehensive, goals driven financial plans and investment strategies. He is also responsible for the professional development of team members and maintaining a client centric environment.

Cory graduated Summa Cum Laude from the University of Central Missouri. He holds the Chartered Retirement Planning Counselor® (CRPC®) designation and has completed the Investment Strategies and Portfolio Management Executive Education Program at The University of Pennsylvania's Wharton School of Business. In 2014, Cory was recognized as one of Ingram's Magazine's exclusive "20 in their Twenties" honoring outstanding, young entrepreneurs in the Kansas City area. In 2022, he was included in Forbes' list of Best-In-State Next-Gen Wealth Advisors. In 2023, he was included in Forbes' list of Best-In-State Wealth Advisors.

Outside of the office, Cory enjoys playing tennis, reading, and spending time with his wife, Cassie, and their dog, Otis.





**Samantha Waters,  
Partner Client  
Operations**

Samantha and Jake have worked together since 2008. Her primary role is ensuring every client receives an excellent experience when working with our team. As a Partner, she is also responsible for mentoring and training new client service team members, as well as making sure that the daily functions of the business run smoothly.

Samantha earned a Bachelor of Arts in finance with a minor in economics from Park University. She currently maintains her Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses.

Outside of the office, Sam enjoys spending time outdoors in her hometown of Carrollton, Missouri, and spending time with her husband, Jimmy, and their twins, Jackson and Ava.



**Maddie Crawford,  
FPQP™,  
Investment Analyst**

Maddie is responsible for researching stocks and bonds, as well as keeping up to date with the current positions in our portfolio. Her role also involves tracking the performance and allocations of our portfolio.

Maddie earned her Bachelor of Science in journalism with an emphasis in strategic communication from the University of Kansas. Maddie also maintains the Financial Planning For Qualified Professionals™ designation as well as her Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses.

In her free time, Maddie enjoys exercising, watching KU Basketball games, and spending time with her husband and daughters.>



**Abby Stockman, AAMS®,  
Investment Analyst**

As an Investment Analyst, Abby is responsible for researching stocks and bonds, as well as keeping up to date with the current positions in our portfolio. Her role also involves tracking the performance and allocations of our portfolio.

Abby earned her Bachelor of Science in business administration with a focus in marketing from Liberty University. She currently maintains her Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses and maintains the Accredited Asset Management Specialist (AAMS®) designation.

Outside of the office, Abby enjoys reading, traveling, and spending time with her husband, Trey, and son, Oliver.



**Matthew Navickas,  
AAMS®,  
Investment Analyst**

As an Investment Analyst, Matthew is responsible for researching stocks and bonds, as well as keeping up to date with the current positions in our portfolio. His role also involves tracking the performance and allocations of our portfolio.

Matthew earned his Bachelor of Science in finance with a concentration in business analytics from the University of Kansas. He currently maintains his Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses and maintains the Accredited Asset Management Specialist (AAMS®) designation.

Outside of the office, Matthew enjoys watching sports, playing golf and going to the lake.



**Abbie Musson,  
Account Manager**

As an Account Manager, Abbie is responsible for onboarding new clients as well as helping current clients understand their account statements, take distributions, and rollover and transfer funds. Her responsibilities also include preparing account maintenance paperwork and performing other administrative roles around the office.

Abbie earned her bachelor's degree in marketing and management from the University of Kansas. She also maintains her Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses.

Outside of the office, Abbie enjoys cooking, being active and spending time with her friends and family.



**Mari McGraw,  
Account Manager**

As an Account Manager, Mari is responsible for helping current clients understand their account statements, take distributions, and conducting regular service calls with clients to ensure our records are up to date, in addition to discussing ways we can enhance the services we are offering. Her responsibilities also include other supporting administrative roles.

Mari earned her bachelor's degree in English, political science and women's studies from Kansas State University. She also maintains her Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses.

Outside of the office, Mari enjoys spending time with her three boys, reading and gardening.



**Jake Cross, CFP®,  
Financial Planner**

As a Financial Planner, Jake is responsible for creating comprehensive financial plans, participating in client meetings, taking the lead on answering routine financial planning questions, taking clients through routine reviews and providing support to the wealth management team — especially Jake Falcon, whom Jake joins on most client meetings.

Jake holds a bachelor of science in finance with a concentration in business analytics from the University of Kansas. Jake went on to obtain his CERTIFIED FINANCIAL PLANNER™ certification, one of the highest designations in the financial planning field. As a CERTIFIED FINANCIAL PLANNER™ professional, Jake specializes in comprehensive financial plan development, topic research, and personalized financial education. Jake also maintains his Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses.

Outside of the office, Jake enjoys playing sports, reading and going to the lake.



**Marc D'Errico,  
Account Manager**

As an Account Manager, Marc is responsible for onboarding new clients as well as helping current clients understand their account statements, take distributions, and rollover and transfer funds. His responsibilities also include preparing account maintenance paperwork and performing other administrative roles around the office.

Marc earned his bachelor's degree in psychology from the University of Kansas. He has over 15 years of financial service experience between DST and U.S. Bank. He maintains his Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses..

Outside of the office, Marc enjoys staying active, bowling, following his favorite sports teams and spending time with his wife, Ariel, and daughter, Berklee.



**Tyler Geiman,  
Wealth Advisor**

As a Para Planner, Tyler is responsible for creating comprehensive financial plans, generating performance reports and providing support to the wealth management team -- especially Cory Bittner, whom Tyler joins on most client meetings.

Tyler graduated from Washburn University with a Bachelor of Business Administration in Finance and Economics as well as a master's degree in business administration. Tyler Securities and Series 66 NASAA Uniform Combined State Law licenses.

Outside of the office, Tyler enjoys playing sports, spending time with friends and family, and traveling.



### **Conner Hanlon, CFA®, Portfolio Manager**

As a Portfolio Manager, Conner is responsible for researching stocks and bonds, monitoring economic trends, and analyzing investment opportunities in the market. His role involves individual security selection as well as asset allocation decisions.

Conner earned his Bachelor of Science in Finance from the University of Kansas. Conner holds his Series 7 General Securities and Series 63 licenses. He also completed the CFA Program and has been a CFA Charterholder since 2019.

Outside of the office, Conner enjoys golfing, traveling, and spending time with his wife, Sam, and daughter, Mary.



### **Jordan Rehkow, FPQP®, Para Planner**

As a Para Planner, Jordan is responsible for creating comprehensive financial plans, generating performance reports and providing support to the wealth management team -- especially Cory Bittner, whom Jordan joins on most client meetings.

Jordan graduated from the University of Central Missouri with a Criminal Justice Pre-Law degree. Jordan maintains the Financial Planning For Qualified Professionals™ designation. Jordan also maintains her Series 7 General Securities license.

In her free time, Jordan enjoys playing golf, going to Orange Theory, finding new local places to eat with her fiancée and shopping.



### **Luke Sullivan, Communications Manager**

As Communications Manager, Luke guides our marketing efforts and is responsible for the curation and cultivation of the collective thoughts of our team. He works closely with Jake and Cory to support the creation and distribution of their weekly email newsletter, podcast, blog, and various other client communications.

Luke earned his Bachelor of Science in Finance with a concentration in corporate finance and investments. Additionally, Luke earned his private pilot certificate in 2022.

In his free time, Luke enjoys general aviation flying, spending time with his family at their lake house, and playing golf.



**Joe Rost,  
Para Planner**

As a Para Planner, Joe is responsible for creating comprehensive financial plans, generating performance reports, and providing support to the wealth management team -- especially Jake Falcon, whom Joe joins on most client meetings.

Joe earned his bachelor's degree in business administration with a corporate accounting from Rockhurst University. He also maintains his Series 7 General Securities and Series 66 NASAA Uniform Combined State Law licenses.

In his free time, Joe enjoys playing golf, hanging out with friends and family, and following his favorite sports teams.



**Colby Morris,  
Communications  
Associate**

As a Communications Associate, Colby collaborates with Jake and Cory to coordinate their executive planning and works closely with Luke on various communications projects. Additionally, she oversees all event planning and serves as our office concierge.

Colby earned her Bachelor of Science in social science from Kansas State University.

In her free time, Colby enjoys spending time with her family, going on adventures with her dog, Theodore, and practicing Pilates.



**Drew Van Scyoc,  
Account Manager**

As an Account Manager, Drew is responsible for helping current clients understand their account statements, take distributions, and preparing account maintenance paperwork. His responsibilities also include helping manage day-to-day communication as it relates to current clients and performing other administrative roles around the office.

Drew earned his Bachelor of Science in Professional Golf Management from The University of Nebraska-Lincoln. Drew has over 13 years of experience in the Private Club/Hospitality Industry.

In his free time, Drew enjoys playing golf, following his favorite sports teams, and spending time with his wife Jamie, and their three children; Parker, Tripp and Saylor.



## Elevating Our Client Experience

As a Partner of Falcon Wealth Advisors and head of the Client Operations group, I work closely with the team to ensure that we are providing the excellent service that our clients have grown accustomed to over the years. Our Client Operations team consists of 5 individuals that help clients daily with scheduling meetings, providing guidance to better understand statements or online services, opening new accounts, maintaining existing accounts, setting up distributions, and various other administrative requests that may arise.

A notable change made to the Client Operations group in 2023 was the establishment of a dedicated Communications team to expand our reach. Luke Sullivan, who had been collaborating with the team for three years while completing his bachelor's degree, transitioned to a full-time role. Luke now spearheads initiatives focused on content and communications. Furthermore, in the latter part of the year, we were pleased to welcome Colby Morris-Lovell to the Communications team. Colby brings her expertise in event planning, client engagement, and collaboration on special projects with Jake and Cory. Together, Luke and Colby introduce innovative concepts to enhance our outreach strategies, elevate the quality of client events, and optimize the overall client experience. We are excited to see the positive impact their contributions will make moving forward!

My role encompasses various key responsibilities, such as mentoring and training the Client Operations group, overseeing the onboarding process for new team members, managing human resources activities, and ensuring the seamless daily functioning of the business. With the growth of our team, we place significant emphasis on cultivating a workplace environment characterized by the presence of the right individuals and a commitment to fostering a positive culture.

We actively promote a culture of excellence and support the professional development of each team member to optimize their success in their respective roles. Adopting a collaborative ensemble approach, we aim to contribute to the broader goal of making a positive impact and helping a greater number of people.

**Thank you,  
Samantha Waters, Partner**

# CLIENT OPERATIONS

Our Client Operations team is here for you! Please reach out to any of our team members below if you need assistance or have questions on our accounts.



**Drew Van Scyoc | Abbie Musson | Samantha Waters | Mari McGraw | Marc D'Errico**



**SERVICE@FALCONWEALTHADVISORS.COM**

**913-326-1900**



**Luke Sullivan,  
Communications  
Manager**

# Innovating Traditions

In an industry landscape often marked by tradition, Falcon Wealth Advisors stands for innovation, helping to shape the future of our industry. Our commitment to enhancing the lives of our clients has driven modest growth in recent years. Reflecting on our journey, it becomes clear that we're not just building a company; we're carefully crafting a brand deeply rooted in our dedication to our clients. It is with great pleasure that I share our communications journey with you.

## Our Communications Journey

In an industry often slow to embrace communication concepts, we distinguish ourselves by prioritizing innovation in this area. We recognize the importance of staying ahead of the curve. After two and a half years as an intern, I joined the team full-time in June 2023. Since then, I've had the privilege of working closely with our leadership to fortify our communications group and content creation efforts. Having spent over three years at Falcon Wealth Advisors, I have a clear understanding of our brand direction. Our cause, "Enhancing Our Client's Lives," serves as the guiding principle behind our continuous improvement. We plan to focus strategic efforts on enhancing our communications, elevating the quality of our content, and continuing to develop a robust firm, setting the stage for sustained growth, efficiency, and improvement.

We will continue enhancing our digital communications. Our emails will continue to adapt to our clients' wants and needs. Our social media will continue to keep our clients informed and effectively communicate our collective thoughts. Renewing our focus on content, the Upticks series has experienced record-breaking growth in 2023. We have set ambitious goals and aspirations to propel Upticks even further in 2024 and beyond. This platform remains instrumental in sharing the thoughts of our advisors, our brand personality, spreading financial literacy, and much more.

## Outlook for the Future:

Looking forward, we're setting ambitious goals for our continued improvement. Our newly minted communications group is dedicated to pushing boundaries, ensuring our strategies align with our clients and propel us far beyond industry standards. Our narrative will continue to be one of client-centricity. We express gratitude to those who have joined our journey and eagerly anticipate those yet to come.



# CLIENT VAULT

## Have you visited our online portal?



You can access it by going to our website at [www.falconwealthadvisors.com](http://www.falconwealthadvisors.com) and clicking on "Client Portal" in the top right-hand corner to login. Our online portal gives you access to eMoney, Black Diamond, the Client Vault, and Schwab.

- 1. Vault – Used to securely share documents with our team**
- 2. Performance – Gives you access to Black Diamond where you can view your investment performance**
- 3. Plan – Gives you access to eMoney where you can view your financial plan**
- 4. Charles Schwab – Used to view account balances and statements**

With our Client Vault, you can easily share documents with us. Box is the vendor we have chosen to use for secure document storage. Your home vault page should contain a "Shared Files" folder where you can upload documents. To keep you on track with current events in your account, we've built an email notification system that lets you know when we share files with you.

Need help logging in or have questions about getting your account setup? Email [service@falconwealthadvisors.com](mailto:service@falconwealthadvisors.com) and we'd be happy to share a step-by-step guide on how to access our client portal.



**Jake Cross, CFP®,  
Financial Planner**

# Financial Planning in 2024

Financial Planning continues to be an integral component of our clients' financial lives, alongside Investment Management. My goal in this article is to a) keep you updated on the relevant Financial Planning changes that may impact you and b) emphasize the importance of cash flow in your financial plan.

First and foremost – I would like to update you on a couple of adjustments to our team. Cory's Wealth Management Group is happy to welcome Jordan Rehkow, who is coming over from Jake's Wealth Management Group. Additionally, Jake's group is excited to welcome Joe Rost, who is coming from our Client Operations group. Falcon Wealth Advisors takes an "ensemble" approach, which means all of our team members support all of our clients, but these two individuals will be serving clients in a new area.

Secondly, it is helpful to understand a few tax-related updates for 2024, which are summarized in the tables below:

| 2024 Federal Tax Brackets                              |                                    |                       |                       |
|--|------------------------------------|-----------------------|-----------------------|
| Standard Deduction Amount                              |                                    |                       |                       |
| Filing Status  | 2024                               |                       |                       |
| Single   | \$14,600                           |                       |                       |
| Married Filing Jointly                                 | \$29,200                           |                       |                       |
| Head of Household                                      | \$21,900                           |                       |                       |
| 35%  | \$243,726 - \$609,350              | \$487,451 - \$731,200 | \$243,701 - \$609,350 |
| 37%  | \$609,351+                         | \$731,201+            | \$609,351+            |
| Retirement Plans                                       |                                    |                       |                       |
| IRA & Roth Contribution Limits                         | \$7,000 (\$8,000 if over age 50)   |                       |                       |
| 401(k) & 403(b) Contribution Limits                    | \$23,000 (\$30,500 if over age 50) |                       |                       |
| Phaseout for Roth Contribution Eligibility (AGI Limit) |                                    |                       |                       |
| Single   | \$146,000 - \$161,000              |                       |                       |
| Married, Filing Jointly                                | \$230,000 - \$240,000              |                       |                       |

Thirdly, our financial planning team is going to emphasize in 2024 the importance of cash flow planning. Whether you are early in your working years establishing your lifestyle, approaching retirement needing to estimate what you will need to replace your income, or already retired and needing to better manage distributions and taxable income, our planners are excited to do a deep dive with you to better understand your cash flow needs today so we can better plan your long-term future.

# The Falcon Wealth Advisors



## SIGNATURE PLAN

Our step-by-step process helps ensure all aspects of your financial life are well cared for and working together toward achieving your goals.

### STEP 1



#### Introductory Meeting

About Us  
About You  
Laying the Foundation for Your Financial Plan



### STEP 2



#### Team Collaboration

Putting the Plan Together  
Determine Asset Allocation / Location  
Identify Opportunities for Improvement



### STEP 3



#### Strategy Discussion

Plan Delivery  
Confirm Investment Strategy  
Discuss Observations and Next Steps



### STEP 4



#### Implementation

Account Opening Call with Onboarding Specialist  
Account Funding  
Online Access and Statement Review



### STEP 5



#### Ongoing Review and Monitoring

Proactive Scheduled Review Meetings  
Discretionary Investment Management  
Account Service



Jake Falcon, CRPC®  
Founder and  
Wealth Advisor



Cory Bittner, CRPC®  
Co-Founder and  
Wealth Advisor



# YOUR EN PRACT

## JAKE FALCON'S MANAGEMENT GROUP



**Jake Falcon, CRPC®,  
Founder and  
Wealth Advisor**



**Jake Cross, CFP®,  
Financial Planner**



**Joe Rost,  
Para Planner**

**OUR C**

**Work Wi**

**Who Collab**

## INVESTMENT MANAGEMENT



**Conner Hanlon,  
CFA®,  
Portfolio Manager**



**Abby Stockman,  
AAMS®,  
Investment Analyst**



**Matthew Navickas,  
AAMS®,  
Investment Analyst**



**Maddie Crawford,  
FPQP™,  
Investment Analyst**



**Samantha Waters,  
Partner Client  
Operations**



**Abbie M  
Account**

# ENSEMBLE CTICE



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## CORY BITTNER'S MANAGEMENT GROUP



Cory Bittner, CRPC®,  
Co-Founder and  
Wealth Advisor



Tyler Geiman,  
Wealth Advisor



Jordan Rehkow,  
FPQP®,  
Para Planner

## CLIENT OPERATIONS



Musson,  
Manager



Mari McGraw,  
Account Manager



Marc D'Errico,  
Account Manager



Drew Van Scyoc,  
Account Manager

## COMMUNICATIONS



Luke Sullivan,  
Communications  
Manager



Colby Morris,  
Communications  
Associate

• Licensed, Not Practicing



**Tyler Geiman,  
Wealth Advisor**

# Playing Financial Defense

- 1. Dribbling Between Expenses:** In basketball, dribbling allows players to maneuver around opponents. Similarly, in financial planning, being defensive with your spending can help you navigate through economic challenges. Just as a player avoids unnecessary turnovers, cutting out unnecessary expenses can protect your financial position.
- 2. Passing on Unnecessary Purchases:** Basketball thrives on teamwork, and your financial decisions should follow suit. Passing on extravagant purchases or delaying non-essential spending can strengthen your financial team. By prioritizing needs over wants, you set yourself up for long-term success.
- 3. Shooting for Financial Goals:** Scoring a basket in basketball takes strategy, precision, and practice. In the same way, achieving financial goals requires a well-designed plan and focused execution. Whether it's saving for retirement, education, or a major purchase, your financial shots should be aimed with careful consideration.
- 4. Navigating the Shot Clock:** Just as a rising shot clock adds pressure in basketball, increasing interest rates can impact your financial game plan. Liabilities can feel heavier with higher interest payments. However, like a well-coached team, you can adjust your strategy. Exploring strategies to refinance or consolidate debts can provide relief.
- 5. Coaching for Success:** In basketball, coaches provide guidance and expertise to players. Similarly, seeking financial advice from professionals can guide you towards sound decisions. A financial advisor acts as your coach, helping you make informed choices that align with your long-term objectives.

**Thank you!  
Tyler Geiman**



**Jake Cross, CFP®,  
Financial Planner**

# The Art of Tax Planning

Tax planning is a fundamental aspect of financial planning that involves organizing one's affairs in a way that helps minimize tax liabilities and maximize after-tax income. It goes beyond the annual rush to file income tax returns and extends into a strategic approach to manage finances efficiently. Incorporating tax planning into your overall financial strategy can yield significant benefits, helping you retain more of your hard-earned money and achieve long-term financial goals.

Keep in mind, it is not about evading taxes or engaging in illegal activities but rather about utilizing the legal provisions and incentives provided by tax laws to optimize your financial position. It involves evaluating your financial situation, income sources, investments, and expenses to make informed decisions that result in reduced tax liabilities.

## Key Components of Tax Planning:

**Investment Planning:** Choosing tax-efficient investment strategies and vehicles to optimize returns while minimizing taxable gains.

**Retirement Planning:** Structuring retirement accounts and withdrawals in a way that maximizes income during retirement while minimizing taxes. For example, it may make sense to pay taxes now at a lower tax rate than what you're projecting for the future.

**Estate Planning:** Ensuring a smooth transfer of assets to heirs with minimal tax implications. Whether that's minimizing ordinary income tax rates, capital gains rates, or estate tax rates.

**Business Structure Optimization:** Selecting the most tax-efficient structure for business entities, considering factors like income, expenses, and growth plans.

Incorporating tax planning into your financial strategy is a proactive step towards achieving financial success. By understanding the intricacies of tax laws and leveraging available incentives, individuals and businesses can optimize their financial position, reduce tax burdens, and pave the way for long-term financial independence. Whether you're an individual seeking to maximize your after-tax income or a business aiming for sustained growth, integrating tax planning into your financial plan can be a prudent and rewarding investment in your future self.

**Jake Cross, CFP®**

# TAX PLANNING



FALCONWEALTHADVISORS.COM

1900 Shawnee Mission Pkwy, Suite 210

Mission Woods, KS 66205

| Single                |     | Head of Household     |     | Married, Filing Jointly |     | Married Filing Separately |     |
|-----------------------|-----|-----------------------|-----|-------------------------|-----|---------------------------|-----|
| \$0 – \$11,600        | 10% | \$0 – \$16,550        | 10% | \$0 – \$23,200          | 10% | \$0 – \$11,600            | 10% |
| \$11,601 - \$47,150   | 12% | \$16,551 - \$63,100   | 12% | \$23,201 - \$94,300     | 12% | \$11,601 - \$47,150       | 12% |
| \$47,151 - \$100,525  | 22% | \$63,101 - \$100,500  | 22% | \$94,301 - \$201,050    | 22% | \$47,151 - \$100,525      | 22% |
| \$100,526 - \$191,950 | 24% | \$100,501 - \$191,950 | 24% | \$201,051 - \$383,900   | 24% | \$100,526 - \$191,950     | 24% |
| \$191,951 - \$243,745 | 32% | \$191,951 - \$243,700 | 32% | \$383,901 - \$487,450   | 32% | \$191,951 - \$243,745     | 32% |
| \$243,726 - \$609,350 | 35% | \$243,701 - \$609,350 | 35% | \$487,451 - \$731,200   | 35% | \$243,726 - \$365,600     | 35% |
| \$609,351 or more     | 37% | \$609,351 or more     | 37% | \$731,201 or more       | 37% | \$365,601 or more         | 37% |

| Standard Deductions                                     |          |
|---|----------|
| Married, Filing Jointly; Surviving Spouse               | \$29,200 |
| Head of Household                                       | \$21,900 |
| Single; Married, Filing Separately                      | \$14,600 |
| Blind; Over 65 – Married; Additional Standard Deduction | \$1,550  |
| Blind; Over 65 – Single; Additional Standard Deduction  | \$1,950  |

| Itemized Deductions  |   |
|--|---|
| Medical Expenses   | Excess of 7.5% AGI  |
| State & Local Tax Deductions                                 | \$10,000  |
| Mortgage Interest Deduction Limit                            | Up to \$750,000 indebtedness (up to \$375,000 if married filing separately)   |
| Mortgage Interest Deduction Limit (made prior to 12/15/2017) | Up to \$1,000,000 indebtedness (up to \$500,000 if married filing separately) |

| Alternative Minimum Tax (AMT) Exemptions   | Amount    | Phase Out Begins |
|--|-----------|------------------|
| Married, Filing Jointly & Surviving Spouse | \$133,300 | \$1,218,700      |
| Single & Head of Household                 | \$85,700  | \$609,350        |
| Married, Filing Separately                 | \$66,650  | \$609,350        |
| Estates and Trusts                         | \$29,900  | \$99,700         |

| Charitable Contributions Limits |            |
|---------------------------------|------------|
| Cash                            | 60% of AGI |
| Property (limited to basis)     | 50% of AGI |
| Appreciated Property            | 30% of AGI |

| Estates & Trusts Income Tax & Kiddie Tax |       |
|--|-------|
| \$0 – \$3,100                            | 10%   |
| \$3,101 - \$11,150                       | 24%   |
| \$11,151 - \$15,200                      | 35%   |
| \$15,201 or more                         | 37%   |
| Estate Exemption Amount                  | \$600 |
| Simple Trust Exemption Amount            | \$300 |
| Complex Trust Exemption Amount           | \$100 |

| Mileage Deductions            |        |
|-------------------------------|--------|
| Business Mileage Rate         | \$0.67 |
| Medical & Moving Mileage Rate | \$0.21 |

| Social Security           |           |
|---------------------------|-----------|
| Social Security Wage Base | \$168,600 |

| Qualified Charitable Distribution (from IRA)                       |  |
|--|--|
| \$105,000 per Individual (to reduce required minimum distribution) |  |

| Estate & Gift Taxes                          |              |
|--|--------------|
| Estate Tax Exclusion Amount (per individual) | \$13,610,000 |
| Gift Tax Exclusion Amount                    | \$18,000     |
| Max. Transfer Tax Rate                       | 40%          |

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# TAX PLANNING



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| Retirement Plans   |   |
|--|---|
| <b>IRA and Roth Contribution Limits</b>                          |   |
| Under Age 50   | \$7,000                                       |
| Age 50 and Over  | \$8,000                                       |
| <b>401(k) and 403(b) Contribution Limits</b>                     |   |
| Under age 50   | \$23,000                                      |
| Age 50 and over  | \$30,500                                      |
| <b>SEP-IRA Contribution Limit</b>                                |   |
| All Ages   | The lesser of 25% of compensation or \$69,000 |
| <b>SIMPLE Elective Deferral Limit</b>                            |   |
| Under Age 50   | \$16,000                                      |
| Age 50 and Over  | \$19,500                                      |
| <b>Phase-Outs for Deducting IRA Contributions (Modified AGI)</b> |   |
| Married, Filing Jointly  | \$123,000-\$143,000                           |
| Single; Head of Household  | \$77,000-\$87,000                             |
| Spousal IRA  | \$230,000-\$240,000                           |
| <b>Phase-Out of Roth Contribution Eligibility (AGI Limit)</b>    |   |
| Married, Filing Jointly  | \$230,000-\$240,000                           |
| Single   | \$146,000-\$161,000                           |
| <b>Health Saving Account Maximum Contributions</b>               |   |
| Single   | \$4,150                                       |
| Family   | \$8,730                                       |
| Catch-up Provision (age 55 +)                                    | \$1,000                                       |

| Affordable Care Act Tax Provisions  |                  |
|---|------------------|
| <b>Net Investment Income Tax (aka Medicare Surtax)</b>  |                  |
| Individual filers will pay an additional 3.8% on Net Investment Income (NII) above certain "Modified Adjusted Gross Income" thresholds (see "Qualified Business Income Deduction" Table). |                  |
| <b>Additional Medicare Tax (aka Hospital Insurance Tax)</b>   |                  |
| An additional 0.9% Medicare Tax will apply to wages and compensation, as well as self-employment income, above certain "earned income" thresholds (see table below).                      |                  |
| <b>Filing Status</b>  | <b>Threshold</b> |
| Married, Filing Jointly & Qualifying Widow(er) w/dependent child  | \$250,000        |
| Married, Filing Separately  | \$125,000        |
| Single & Head of Household  | \$200,000        |

All wages that are currently subject to Medicare Tax are subject to Additional Medicare Tax if they exceed the applicable threshold.

| Qualified Business Income Deduction                                   |   |                                     |
|---|---|-------------------------------------|
| Flow Through S-Corp, Partnership and Sole Proprietorship              |   |                                     |
| Taxable Income  | Qualified Trade or Business   | Specified Service Trade or Business |
| Less than or equal to: \$191,950 (single) \$383,900 (joint)           | 20% of QBI, no W-2 limit applied  | 20% of QBI, no W-2 limit applied    |
| Between: \$191,950 - \$241,950 (single) \$383,900 - \$483,900 (joint) | 20% deduction subject to phase out  | 20% deduction subject to phase out  |
| Greater than: \$241,950 (single) \$483,900 (joint)                    | The lesser of (1) 20% of QBI or (2) the greater of (a) 50% of W-2 wages or (b) 25% of W-2 wages plus 2.5% of qualified property | Completely Phased Out               |

| Education  |  |
|--|--|
| <b>529 Plan Contributions (annual exclusion per individual)</b>                              |  |
| Individual (per recipient)   | \$18,000   |
| Married (per recipient)  | \$36,000   |
| <b>529 Superfunding Contribution Limits (combining 5 years of contributions into 1 year)</b> |  |
| Individual   | \$90,000   |
| Joint  | \$180,000  |
| American Opportunity Credit  | Up to \$2,500*   |
| Lifetime Learning Credit   | Up to 20% of the first \$10,000 of qualified expenses* |
| Coverdell Education Savings Contribution   | \$2,000  |
| Student Loan Interest Deduction  | Up to \$2,500  |

| Child Tax Credit                                |                   |
|---|-------------------|
| Child Tax Credit                                | \$2,000           |
| Qualifying Dependent Tax Credit (per dependent) | \$500             |
| Phase-Out Begins (Single)                       | \$200,000 of MAGI |
| Phase-Out Begins (Married, Filing Jointly)      | \$400,000 of MAGI |
| Maximum Refundable Amount                       | \$1,700           |

\*Both credits phase out for taxpayers with modified adjusted gross income between \$80,000 and \$90,000 (single) and \$160,000 and \$180,000 (joint).

# TAX PLANNING



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| Long-Term Capital Gains Rate   |     |
|--|-----|
| If taxable income falls below \$47,025 (single/married-filing separately), \$94,050 (joint), \$63,000 (head of household), \$3,150 (estates/trusts)                        | 0%  |
| If taxable income falls at or above \$47,026 (single/married-filing separately), \$94,051 (joint), \$63,001 (head of household), \$3,151 (estates/trusts)                  | 15% |
| If taxable income falls at or above \$518,901 (single), \$583,751 (joint), \$551,351 (head of household), \$291,851 (married filing separately), \$15,451 (estates/trusts) | 20% |
| Collectibles (coins, art, antiques)  | 28% |
| Unrecaptured gain on real estate   | 25% |

### Holding Period

The long-term rate generally applies to gains on the sale of capital assets held for more than one year.

### Short-Term Capital Gains

Net short-term capital gains (on sales of capital assets held for one year or less) are taxed at ordinary income rates.

### Capital Losses

After capital gains and losses are netted against one another, any remaining net loss may be used to offset ordinary income up to \$3,000 per year. Any excess net loss may be used in future years.

## MEDICARE INCOME RELATED MONTHLY ADJUSTMENT AMOUNTS

at a Glance

| Modified Adjusted Gross Income in 2021 (determines 2023 premiums) |                        |                                    | Monthly Premium |                        |
|---|------------------------|------------------------------------|-----------------|------------------------|
| File individual tax return  | File joint tax return  | File married & separate tax return | Part B          | Part D                 |
| \$103,000 or less   | \$206,000 or less      | \$103,000 or less                  | \$174.70        | Plan Premium           |
| \$103,001 to \$129,000  | \$206,001 to \$258,000 | Not applicable                     | \$244.60        | \$12.90 + plan premium |
| \$129,001 to \$161,000  | \$258,001 to \$322,000 | Not applicable                     | \$349.40        | \$33.30 + plan premium |
| \$161,001 to \$193,000  | \$322,001 to \$386,000 | Not applicable                     | \$454.20        | \$53.80 + plan premium |
| \$193,001 to \$499,999  | \$386,001 to \$749,999 | \$103,001 to \$396,999             | \$559.00        | \$74.20 + plan premium |
| \$500,000 or above  | \$750,000 or above     | \$397,000 or above                 | \$594.00        | \$81.00 + plan premium |



## Meet Cory Bittner

Greetings and thank you for reading our second annual Falcon Wealth Advisors Wealth Journal! We appreciate the wonderful feedback we received on our inaugural issue last year. We are thrilled to share this year's edition, and we're committed to making this valuable for you.

Many market themes from 2022 carried over into 2023. Volatility, resiliency, fear, and greed. Those elements are part of what makes markets, and we don't expect that to change in 2024, or ever. In the 20th century, Aristotle Onassis said, "We must free ourselves of the hope that the sea will ever rest. We must learn to sail in high winds." That's an effective metaphor for investing, and life. From bank failures to debt ceilings, to artificial intelligence and inflation, we sailed through the high winds of 2023. The near unanimously expected recession in 2023 from those that try to predict the future proved elusive, as did expectations for interest rates to decline. That won't stop anyone from speculating what's going to happen, but it's an important lesson in how wrong market predictions often are.

With that, my predictions for 2024: volatility, resiliency, fear, and greed along with a "ready or not, here it comes" Presidential election in the United States. Bring it on.

At Falcon Wealth Advisors, our practice has continued to expand in many ways. Last year, we were afforded the opportunity to move into a new office in the 1900 Building to future proof growth, and it is first class. We added five fulltime team members last year and our team now consists of 17 professionals and counting. We are working with nearly 800 clients in thirty states (and two countries) and we are just getting started. The focus has been on standardizing service and customizing advice and the intent in doing so is to enhance our offering and our clients' lives. Jake and I have both formed Wealth Management groups, and each of us have two full-time financial planners working directly with us, and clients. We are grateful to have surrounded ourselves with intelligent, technical, empathetic teammates that are well-equipped to dive deep into the details of your financial plan with you.

We take pride in providing a premium experience and if your loved ones, colleagues, or friends are looking to establish a financial plan for the first time or they are seeking a second opinion, we are open for business and accepting new clients!

On a personal note, my wife Cassie and I couldn't be more excited about welcoming our first child in June 2024 and our rescue pup Otis will be ready for a playmate in a few short years.

Lastly, and most importantly, thank you to each and every client of Falcon Wealth Advisors. I am routinely struck by the generosity of our clients and cannot overstate our appreciation of your continued trust. We don't take it lightly, and it's an honor and a privilege to earn your business each and every year. We are committed to meeting your needs, enhancing our offering for you, and your valuable feedback continues to inform and influence our decisions. Your satisfaction remains our top priority, and I am confident the best is yet to come.

## A Note from Our Co-Founder

**Thank you for your trust,  
Cory Bittner, CRPC®  
Co-Founder & COO**

# Sponsorships

IN AN EFFORT TO SUPPORT INDIVIDUALS AS THEY STRIVE FOR THEIR PERSONAL GOALS AND DREAMS, WE HAVE DECIDED TO SPONSOR SEVERAL PROFESSIONAL ATHLETES. PLEASE CHECK THEM OUT AND HELP US CHEER THEM ON!



**Andy Spencer  
(Pro Golfer)**

Andy Spencer is a professional golfer on the Korn Ferry Tour and the PGA Tour Latinoamerica. Born in Prairie Village, Kansas, Andy attended high school at Shawnee Mission East, where he won the 2015 Kansas Class 6A State Championship.



**Chase Hanna  
(Pro Golfer)**

Chase Hanna is a professional golfer on the DP World Tour. He earned promotion to the DP World Tour after finishing 13th on the Challenge Tour's season-long Road to Mallorca Rankings in 2021.



**Luke Kluver  
(College Golfer)**

Luke Kluver is a collegiate golfer from Norfolk, Nebraska. Luke was named the Nebraska Junior Golfer of the Year two years running and also won two Class A state titles. He broke his own Nebraska state record for the lowest score in a round.



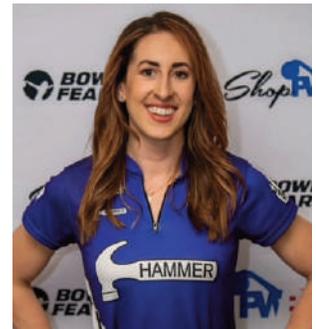
**Jason Sterner  
(Pro Bowler)**

A member of the Professional Bowlers Association since 2006, Sterner has won three PBA national titles and a dozen regional titles. In 2022, he came in second at the World Championships, and this season had a great showing, coming in 5th at the PBA Tournament of Champions. He was the PBA King of the Lanes at the conclusion of the 2021 PBA King of the Lanes Series, defeating PBA Hall of Famer Parker Bohn III and Tom Daugherty.



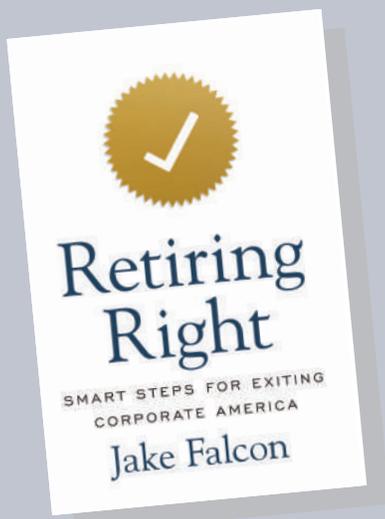
**Davis Cooper  
(College Golfer)**

Davis Cooper is a collegiate golfer from Overland Park, Kansas. He attended Blue Valley North High School, where he posted a 71.9 scoring average and set the school record for the lowest score in a round. Davis also won the Kenneth Smith Award as the top high school golfer in the KC Metro area.



**Heather Sterner  
(Pro Bowler)**

Heather Sterner is a professional bowler on the PWBA tour as well as the head women's bowling coach of the William Smith College Herons. She was a collegiate All-American for Robert Morris University prior to her debut in the coaching field, which began at the University of Central Missouri as the assistant coach during her time completing a Master's degree in Kinesiology.



## Unlock a Fulfilling Retirement!

Every day brings you closer to retirement. Are you ready?

You've got a comfortable routine, colleagues who like and respect you, and days filled with purpose. But what will happen when you retire? Can you afford healthcare? Will the money you've saved and invested be enough?

You have a list of questions about what will happen when you're no longer working. In *Retiring Right*, Jake Falcon helps you find answers, explaining in detail how to prepare to leave the office behind.



# UPTICKS

## A Financial Planning & Investment Podcast with Jake Falcon, CRPC®

Join Jake Falcon and Cory Bittner each week on 'Upticks,' our podcast, and YouTube show. Gain an inside look at our advisors' opinions to stay up-to-date with the latest financial headlines and acquire valuable insights to enhance your financial literacy. Scan the QR code to watch or listen to our show today!



### Our Uniques:

Unlike traditional advisory offices, we embrace an innovative team approach at Falcon Wealth Advisors, featuring a full team of over 15 professionals.

We take a thorough and effective approach to investing, with our portfolio professionally crafted by our investment management team. Importantly, we focus on investing in stocks and bonds, avoiding complex, fee-based products. Our investment efforts are centered on our clients' goals, and we believe our portfolio reflects this dedication.

To showcase our client-centricity, we promise a 24-hour response time. If you email us at [service@falconwealthadvisors.com](mailto:service@falconwealthadvisors.com), expect a response from our team within the next business day. Should you not receive a reply within this timeframe, hold us accountable. We would be delighted to take you to lunch as an apology. While we may not provide a resolution within the next business day, rest assured that your needs are being heard.



**Conner Hanlon, CFA®,  
Portfolio Manager**

# Strategic Investment Approaches

Everyone here at Falcon Wealth Advisors shares a common cause, to enhance our clients' lives. On the Investment Management team, that means operating within the framework of each client's unique financial plan to maximize longterm return while minimizing risk. In this article I will dive into some key themes of our investment process that are instrumental in helping clients' portfolios achieve those goals.

## **Time In the Market vs. Timing the Market:**

In taking a fundamentally long-term approach to investing, it is important to realize that timing the market is not realistic. Everyone has heard a friend, colleague, or television personality say "I'm not in the market right now" followed by a rationale that is often political, conspiratorial, or both and is said with hint of vanity. What they don't usually brag about is the return they missed while they were on the sidelines. After all, timing the market is not just getting out, it's also getting back in! Not surprisingly, some of the best market days on record have come in the weeks and months following a period of market weakness. A recent example of this can be seen in the volatility in early 2020. As pandemic fear peaked, equity markets fell sharply, reaching a low for the year in the month of March. However, in the months that followed, the S&P 500 proceeded to climb back up past pre-pandemic levels and ended the year well into positive territory, up 16%. Measuring from the March lows, equities ended the year up a whopping 67%! In that scenario, selling at peak fear could have been catastrophic to a financial plan. Rather than trying to time the market, we take a disciplined, long-term approach to asset allocation and take the emotion out of investing.

## **Equal Weighted vs. Market Cap Weighted**

At Falcon Wealth Advisors, we use the Equal Weighted S&P 500 as a blueprint for our equity portfolio sector allocations. What is the difference between the S&P 500 and the Equal Weighted S&P 500? The S&P 500 is a market-capitalization weighted index of 500 leading U.S. companies. A market-cap weighted index weights each index constituent by the percentage of market-cap it represents in the total index market-cap. For instance, if one company had a market-cap of \$5 billion and the total index market-cap was \$100 billion, that company would have a 5% weighting of the index. In recent years, the tremendous capitalization growth of just a handful of companies has caused increasingly lopsided sector weightings, with the technology sector currently representing nearly a third of the index. Conversely, the Equal Weighted S&P index includes the same 500 constituents but weights them equally. In other words, each company has a weighting of 1/500th or 0.20%. This results in better sector diversification as well as market-cap diversification, which we believe is beneficial over the long-term. We liken this strategy to aiming for singles and doubles, rather than going for a home run and potentially striking out at the plate.

## Style Allocation

While we use the Equal Weighted S&P 500 for our sector allocation benchmark, our portfolio differs from the index when it comes to investment styles. Though the Equal Weighted Index has 500 different constituents, they are all large-cap companies headquartered in the United States. In our portfolio, we employ a mix of large-cap, mid-cap, small-cap, real estate, commodities, international developed, and emerging markets investment styles. The Callan Periodic Table of Returns does a great job of illustrating the importance and necessity of style diversification, showing the variance in the top performing asset classes year to year.

## Bond Ladder

What is a bond ladder? A bond ladder is a strategy that involves purchasing bonds with different maturity dates, maturing sequentially over several years. If short-term U.S. Treasuries are yielding over 5%, why don't we just buy those for our entire fixed income allocation? While we have been taking advantage of attractive short-term treasury rates, we don't want to put all our eggs in one basket. We believe that constructing a laddered maturity schedule is important to reduce reinvestment risk. Consider the potential outcomes of applying the entire fixed income allocation to short-term bonds, the 6-month treasury bill for example. Six months from now when the bonds mature, our entire fixed income allocation would be subject to the interest rate environment at that time, which may be more or less attractive than the current environment. If instead we ladder our maturities, with some bonds maturing in 6 months, some maturing in 2 years, 4 years, and so on, we diversify our reinvestment schedule, still allowing us to take advantage of attractive interest rate environments without trying to time the market.

If there is one thing I know (and love) about financial markets, it's that there is never a dull moment. 2023 was an action-packed year for the markets and I am confident that 2024 will bring its own unique set of challenges and opportunities. Our job at Falcon Wealth Advisors is to help you navigate those challenges and take advantage of the opportunities while staying diversified, staying disciplined, and staying invested.

**Thank you for your continued trust in our team,  
Conner Hanlon, CFA®**

*At Falcon Wealth Advisors, we agree with Benjamin Franklin that  
‘An investment in knowledge pays the best interest.’ That’s why we invest  
our time and efforts in providing financial literacy and education  
to help our clients navigate their financial challenges with confidence.  
Our mission is to simplify your financial life and empower you  
with the knowledge you need to accomplish your goals.*

# Unlocking Opportunities: Exploring the Era of Elevated U.S. Treasury Yields

## U.S. Federal Funds Effective Rate



Source: Bloomberg

As of: 12/22/2023

Inflation and interest rates have been top of mind for investors over the last few years. Beginning in 2022, the Federal Reserve began aggressively raising interest rates to combat inflation and this has made significant impacts on the market, both positive and negative. One of the positive impacts that we've seen many of our clients take advantage of are higher yields on U.S. Treasuries. With the Fed Funds benchmark rate near zero heading into 2022, short-term U.S. treasuries offered little interest. However, following the Fed's drastic changes in the past two years, short-term U.S. Treasuries yields are now much more compelling. Offering a higher return than most traditional bank accounts, many clients are using these investment vehicles as a safe place to park their excess cash. U.S. Treasuries are an attractive vehicle for excess cash because they are backed by the full faith and credit of the United States government and considered to be one of the safest investments on the market. With the market anticipating that the Federal Reserve will begin cutting interest rates in 2024, it's a great time to talk with your fiduciary wealth advisor to see if locking in elevated U.S. Treasury yields makes sense for you.

# Inflation in 2023

## U.S. consumer price index

Year-over-year percent change as of November 2023

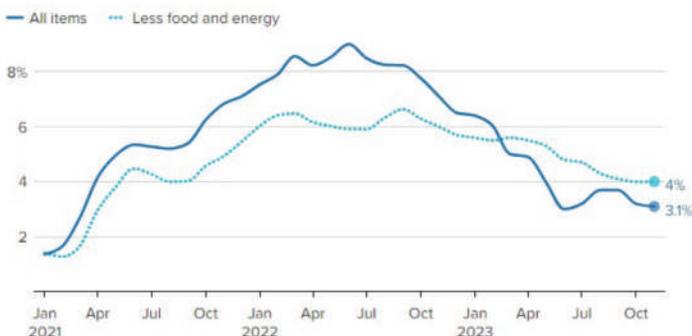


Chart: Gabriel Cortes / CNBC  
Source: U.S. Bureau of Labor Statistics  
Data as of Dec. 12, 2023



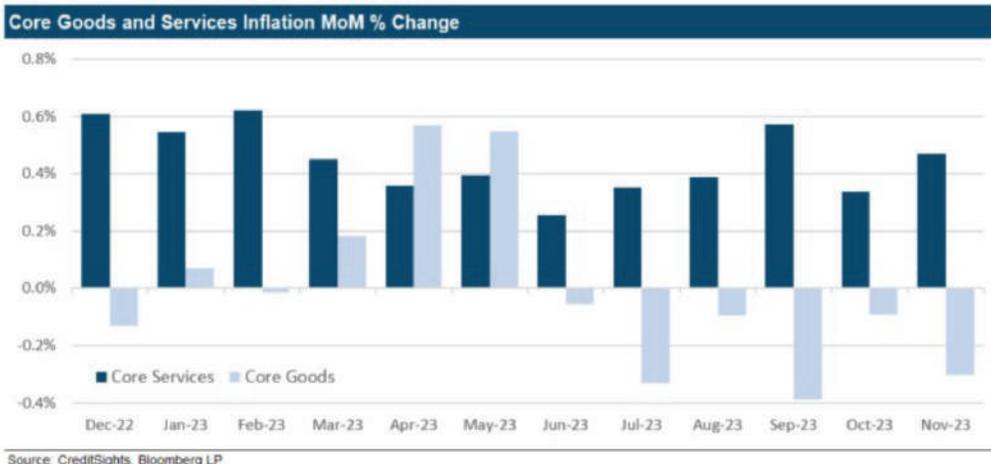
| Consumer Price Index Heat Map (YoY Change) |      | Nov '22 | Dec '22 | Jan '23 | Feb '23 | Mar '23 | Apr '23 | May '23 | Jun '23 | Jul '23 | Aug '23 | Sep '23 | Oct '23 | Nov '23 |
|--|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Headline CPI                               | 100% | 7.1%    | 6.5%    | 6.4%    | 6.0%    | 5.0%    | 4.9%    | 4.0%    | 3.0%    | 3.2%    | 3.7%    | 3.7%    | 3.2%    | 3.1%    |
| Shelter                                    | 35%  | 7.1%    | 7.5%    | 7.9%    | 8.1%    | 8.2%    | 8.1%    | 8.0%    | 7.6%    | 7.7%    | 7.3%    | 7.2%    | 6.7%    | 6.5%    |
| Food                                       | 13%  | 10.6%   | 10.4%   | 10.1%   | 9.5%    | 8.5%    | 7.7%    | 6.7%    | 5.7%    | 4.9%    | 4.3%    | 3.7%    | 3.3%    | 2.9%    |
| Vehicles & Parts                           | 8%   | 2.4%    | -0.9%   | -2.3%   | -3.2%   | -1.8%   | -0.3%   | 0.1%    | -0.7%   | -1.3%   | -1.9%   | -2.3%   | -2.1%   | -0.9%   |
| Energy                                     | 7%   | 13.1%   | 7.3%    | 8.7%    | 5.2%    | -6.4%   | -5.1%   | -11.7%  | -16.7%  | -12.5%  | -3.6%   | -0.5%   | -4.5%   | -5.4%   |
| Medical Services                           | 6%   | 4.4%    | 4.1%    | 3.0%    | 2.1%    | 1.0%    | 0.4%    | -0.1%   | -0.8%   | -1.5%   | -2.1%   | -2.6%   | -2.0%   | -0.9%   |
| Transportation Svcs                        | 6%   | 14.2%   | 14.6%   | 14.6%   | 14.6%   | 13.9%   | 11.0%   | 10.2%   | 8.2%    | 8.0%    | 10.2%   | 9.1%    | 9.2%    | 10.1%   |
| Educ./Comm. Svcs                           | 5%   | 2.2%    | 2.4%    | 2.6%    | 2.9%    | 3.3%    | 3.1%    | 2.8%    | 2.4%    | 2.7%    | 2.6%    | 2.5%    | 2.3%    | 1.4%    |
| HH Furnishings/Supplies                    | 4%   | 8.3%    | 7.3%    | 6.4%    | 6.3%    | 5.8%    | 4.8%    | 4.1%    | 3.2%    | 2.2%    | 1.7%    | 0.9%    | 0.7%    | -0.3%   |
| Recreation Services                        | 3%   | 5.4%    | 5.7%    | 5.8%    | 6.3%    | 5.9%    | 6.4%    | 5.8%    | 5.9%    | 6.2%    | 6.1%    | 6.4%    | 5.7%    | 4.8%    |
| Apparel                                    | 3%   | 3.6%    | 2.9%    | 3.1%    | 3.3%    | 3.3%    | 3.6%    | 3.5%    | 3.1%    | 3.2%    | 3.1%    | 2.3%    | 2.6%    | 1.1%    |
| Recreation Goods                           | 2%   | 3.6%    | 4.1%    | 3.3%    | 2.9%    | 3.2%    | 2.9%    | 2.7%    | 2.0%    | 1.0%    | -0.1%   | 0.2%    | -0.4%   | -0.6%   |
| Medical Goods                              | 1%   | 3.1%    | 3.2%    | 3.4%    | 3.2%    | 3.6%    | 4.0%    | 4.4%    | 4.2%    | 4.1%    | 4.5%    | 4.2%    | 4.7%    | 5.0%    |
| Core (Ex Food & Energy)                    | 80%  | 6.0%    | 5.7%    | 5.6%    | 5.5%    | 5.6%    | 5.5%    | 5.3%    | 4.8%    | 4.7%    | 4.3%    | 4.1%    | 4.0%    | 4.0%    |
| Core Services                              | 58%  | 6.8%    | 7.0%    | 7.2%    | 7.3%    | 7.1%    | 6.8%    | 6.6%    | 6.2%    | 6.1%    | 5.9%    | 5.7%    | 5.5%    | 5.5%    |
| Core Goods                                 | 21%  | 3.7%    | 2.1%    | 1.4%    | 1.0%    | 1.5%    | 2.0%    | 2.0%    | 1.3%    | 0.8%    | 0.2%    | 0.0%    | 0.1%    | 0.0%    |

Note: Shows seasonally adjusted YoY price change per CPI category. Category labels abbreviated from official titles. Not Seasonally Adjusted. Intra-month outlier scheme. Source: CreditSights, Farnett, BLS

As of: 12/22/2023

Throughout 2023 we have seen a notable improvement in the pace of inflation. While it is still increasing at a faster rate than the Federal Reserve would desire (2% target) the increase has consistently slowed since reaching its peak of 9.1% in June of 2022. The most recent report on inflation showed CPI (Consumer Price Index) for the month of November rose by 3.1% year-over-year. Transportation services saw the highest year-over-year change in each month compared to all other components of CPI. Shelter costs carry a 35% weighting to CPI and stayed elevated in 2023 coming in at +6.5% year-over-year. As supply hits the market and vacancies increase, shelter could become a large factor in the continued decline of inflation. As is often the case, energy costs experienced volatile price movements, with the most recent data showing a 5.4% decline compared to the year prior.

Many economists prefer to exclude the more volatile items, such as food and energy, opting instead to focus on Core CPI. This metric showed a 4.0% year-over-year uptick, a notable decline from its peak of 6.6% in September 2022. Core Goods, such as apparel and new vehicles, marked its 5th consecutive month of declines providing welcomed relief. Meanwhile Core Services, which includes items like medical care and video services, steadily increased throughout 2023. While the alleviation in Core Goods is encouraging, the persistence of Core Services poses a challenge and will require improvements before Core CPI aligns with the Fed's target of 2%.



Source: CreditSights, Bloomberg LP

As of: 12/22/2023

CPI and Core CPI are showing positive trends, yet there's still work to be done. The Federal Reserve is closely monitoring inflation as it contemplates rate reductions. In the recent FOMC meeting on December 13th, the committee signaled its intent to implement three rate cuts in 2024. This shift toward a less restrictive policy is a reassuring signal for sectors of the economy highly responsive to interest rate fluctuations.

# The Callan Periodic Table of Investment Returns

Annual Returns for Key Indices Ranked in Order of Performance (2004–2023)

The Callan Periodic Table of Investment Returns conveys the strong *case for diversification* across asset classes (stocks vs. bonds), capitalizations (large vs. small), and equity markets (U.S. vs. global ex-U.S.). The Table highlights the uncertainty inherent in all capital markets. Rankings change every year. Also noteworthy is the difference between absolute and relative performance, as returns for the top-performing asset class span a wide range over the past 20 years.

A printable copy of The Callan Periodic Table of Investment Returns is available on our website at [callan.com/periodic-table/](https://callan.com/periodic-table/). © 2024 Callan LLC

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| 2004                               | 2005                               | 2006                               | 2007                               | 2008                               | 2009                               | 2010                              | 2011                               | 2012                                | 2013                               |
|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-----------------------------------|------------------------------------|-------------------------------------|------------------------------------|
| Real Estate<br>37.96%              | Emerging Market Equity<br>34.00%   | Real Estate<br>42.12%              | Emerging Market Equity<br>39.38%   | U S Fixed Income<br>5.24%          | Emerging Market Equity<br>78.51%   | Small Cap Equity<br>26.85%        | U S Fixed Income<br>7.84%          | Real Estate<br>27.73%               | Small Cap Equity<br>38.82%         |
| Emerging Market Equity<br>25.55%   | Real Estate<br>15.35%              | Emerging Market Equity<br>32.17%   | Developed ex-U.S. Equity<br>12.44% | Global ex-U.S. Fixed<br>4.39%      | High Yield<br>58.21%               | Real Estate<br>19.63%             | High Yield<br>4.98%                | Emerging Market Equity<br>18.23%    | Large Cap Equity<br>32.39%         |
| Developed ex-U.S. Equity<br>20.38% | Developed ex-U.S. Equity<br>14.47% | Developed ex-U.S. Equity<br>25.71% | Global ex-U.S. Fixed<br>11.03%     | Cash Equivalent<br>2.06%           | Real Estate<br>37.13%              | Emerging Market Equity<br>18.88%  | Global ex-U.S. Fixed<br>4.36%      | Developed ex-U.S. Equity<br>16.41%  | Developed ex-U.S. Equity<br>21.02% |
| Small Cap Equity<br>18.33%         | Large Cap Equity<br>4.91%          | Small Cap Equity<br>18.37%         | U S Fixed Income<br>6.97%          | High Yield<br>-26.16%              | Developed ex-U.S. Equity<br>33.67% | High Yield<br>15.12%              | Large Cap Equity<br>2.11%          | Small Cap Equity<br>16.35%          | High Yield<br>7.44%                |
| Global ex-U.S. Fixed<br>12.54%     | Small Cap Equity<br>4.55%          | Large Cap Equity<br>15.79%         | Large Cap Equity<br>5.49%          | Small Cap Equity<br>-33.79%        | Small Cap Equity<br>27.17%         | Large Cap Equity<br>15.06%        | Cash Equivalent<br>0.10%           | Large Cap Equity<br>16.00%          | Real Estate<br>3.67%               |
| High Yield<br>11.13%               | Cash Equivalent<br>3.07%           | High Yield<br>11.85%               | Cash Equivalent<br>5.00%           | Large Cap Equity<br>-37.00%        | Large Cap Equity<br>26.47%         | Developed ex-U.S. Equity<br>8.95% | Small Cap Equity<br>-4.18%         | High Yield<br>15.81%                | Cash Equivalent<br>0.07%           |
| Large Cap Equity<br>10.88%         | High Yield<br>2.74%                | Global ex-U.S. Fixed<br>8.16%      | High Yield<br>1.87%                | Developed ex-U.S. Fixed<br>-43.56% | Global ex-U.S. Fixed<br>7.53%      | U S Fixed Income<br>6.54%         | Real Estate<br>-6.46%              | U S Fixed Income<br>4.21%           | U S Fixed Income<br>-2.02%         |
| U S Fixed Income<br>4.34%          | U S Fixed Income<br>2.43%          | Cash Equivalent<br>4.85%           | Small Cap Equity<br>-1.57%         | Real Estate<br>-48.21%             | U S Fixed Income<br>5.93%          | Global ex-U.S. Fixed<br>4.95%     | Developed ex-U.S. Fixed<br>-12.21% | Global ex-U.S. Fixed<br>4.09%       | Emerging Market Equity<br>-2.60%   |
| Cash Equivalent<br>1.33%           | Global ex-U.S. Fixed<br>-8.65%     | U S Fixed Income<br>4.33%          | Real Estate<br>-7.39%              | Emerging Market Equity<br>-53.33%  | Cash Equivalent<br>0.21%           | Cash Equivalent<br>0.13%          | Emerging Market Equity<br>-18.42%  | Cash Equivalent<br>0.11%            | Global ex-U.S. Fixed<br>-3.08%     |
| 2014                               | 2015                               | 2016                               | 2017                               | 2018                               | 2019                               | 2020                              | 2021                               | 2022                                | 2023                               |
| Real Estate<br>15.02%              | Large Cap Equity<br>1.38%          | Small Cap Equity<br>21.31%         | Emerging Market Equity<br>37.28%   | Cash Equivalent<br>1.87%           | Large Cap Equity<br>31.49%         | Small Cap Equity<br>19.96%        | Large Cap Equity<br>28.71%         | Cash Equivalent<br>1.46%            | Large Cap Equity<br>26.29%         |
| Large Cap Equity<br>13.69%         | U S Fixed Income<br>0.55%          | High Yield<br>17.13%               | Developed ex-U.S. Equity<br>24.21% | U S Fixed Income<br>0.01%          | Small Cap Equity<br>25.52%         | Large Cap Equity<br>18.40%        | Real Estate<br>26.09%              | High Yield<br>-11.19%               | Developed ex-U.S. Equity<br>17.94% |
| U S Fixed Income<br>5.97%          | Cash Equivalent<br>0.05%           | Large Cap Equity<br>11.96%         | Large Cap Equity<br>21.83%         | High Yield<br>-2.08%               | Developed ex-U.S. Equity<br>22.49% | Emerging Market Equity<br>18.31%  | Small Cap Equity<br>14.82%         | U S Fixed Income<br>-13.01%         | Small Cap Equity<br>16.93%         |
| Small Cap Equity<br>4.89%          | Real Estate<br>-0.79%              | Emerging Market Equity<br>11.19%   | Small Cap Equity<br>14.65%         | Global ex-U.S. Fixed<br>-2.15%     | Real Estate<br>21.91%              | Global ex-U.S. Fixed<br>10.11%    | Developed ex-U.S. Equity<br>12.62% | Developed ex-U.S. Equity<br>-14.29% | High Yield<br>13.44%               |
| High Yield<br>2.45%                | Developed ex-U.S. Equity<br>-3.04% | Real Estate<br>4.06%               | Global ex-U.S. Fixed<br>10.51%     | Large Cap Equity<br>-4.38%         | Emerging Market Equity<br>18.44%   | Developed ex-U.S. Equity<br>7.59% | High Yield<br>5.28%                | Large Cap Equity<br>-18.11%         | Emerging Market Equity<br>9.83%    |
| Cash Equivalent<br>0.03%           | Small Cap Equity<br>-4.41%         | Developed ex-U.S. Equity<br>2.75%  | Real Estate<br>10.36%              | Real Estate<br>-5.63%              | High Yield<br>14.32%               | U S Fixed Income<br>7.51%         | Cash Equivalent<br>0.05%           | Global ex-U.S. Fixed<br>-18.70%     | Real Estate<br>9.67%               |
| Emerging Market Equity<br>-2.18%   | High Yield<br>-4.47%               | U S Fixed Income<br>2.65%          | High Yield<br>7.50%                | Small Cap Equity<br>-11.01%        | U S Fixed Income<br>8.72%          | High Yield<br>7.11%               | U S Fixed Income<br>-1.54%         | Emerging Market Equity<br>-20.09%   | Global ex-U.S. Fixed<br>5.72%      |
| Global ex-U.S. Fixed<br>-3.09%     | Global ex-U.S. Fixed<br>-6.02%     | Global ex-U.S. Fixed<br>1.49%      | U S Fixed Income<br>3.54%          | Developed ex-U.S. Fixed<br>-14.09% | Global ex-U.S. Fixed<br>5.09%      | Cash Equivalent<br>0.67%          | Emerging Market Equity<br>-2.54%   | Small Cap Equity<br>-20.44%         | U S Fixed Income<br>5.53%          |
| Developed ex-U.S. Equity<br>-4.32% | Emerging Market Equity<br>-14.92%  | Cash Equivalent<br>0.33%           | Cash Equivalent<br>0.86%           | Emerging Market Equity<br>-14.57%  | Cash Equivalent<br>2.28%           | Real Estate<br>-9.04%             | Global ex-U.S. Fixed<br>-7.05%     | Real Estate<br>-25.10%              | Cash Equivalent<br>5.01%           |

# UPCOMING EVENTS

## PICKELBALL SOCIAL

Join us at one of our largest events of the year! Filled with fun, food, drinks, prizes, friendly competition, and great company. Thursday, October 3rd at 6:00 p.m. - Carriage Club

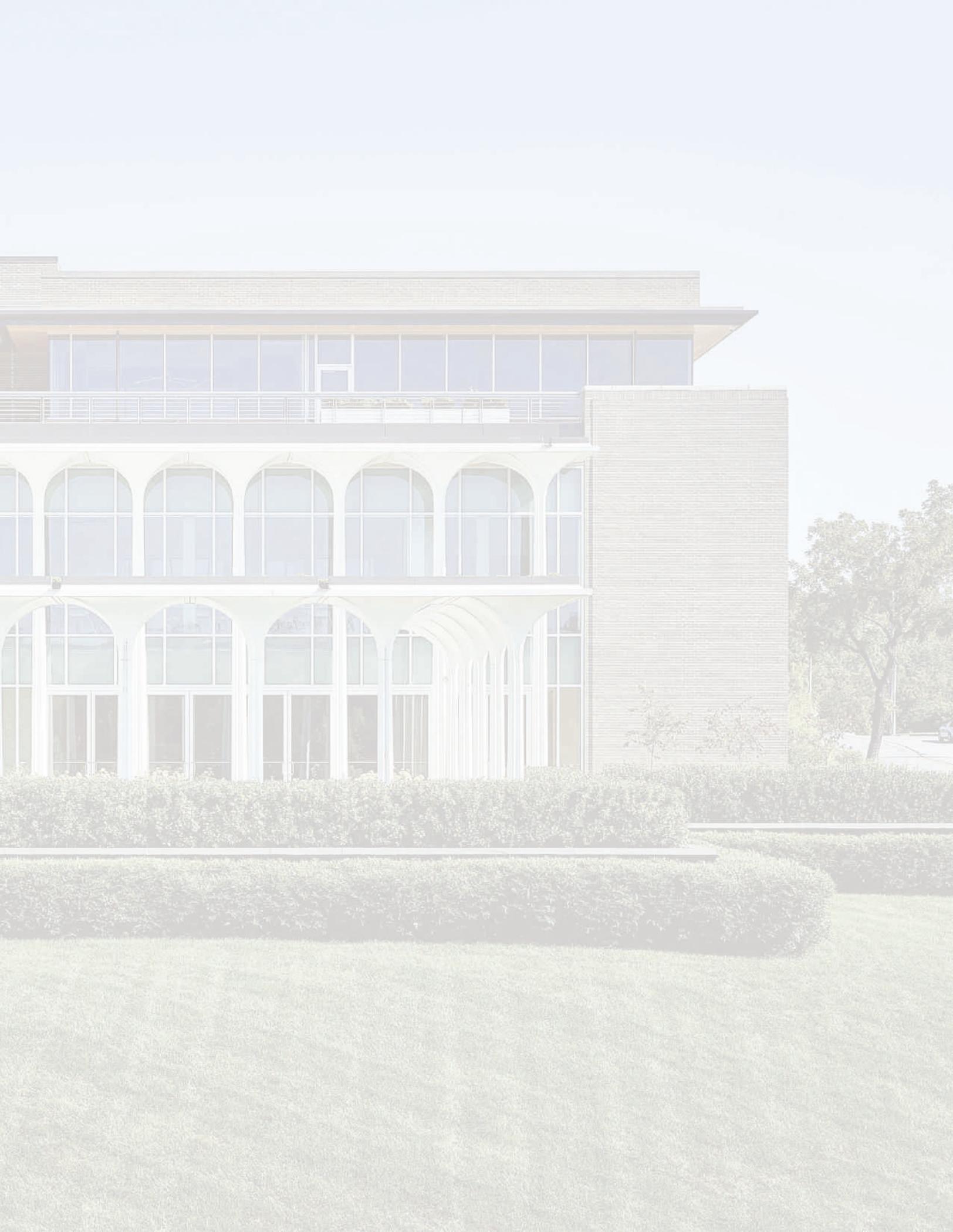
**HOLIDAY HAPPY HOUR:** Thursday, December 12th, at 4pm



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# Our Content



with **Jake Falcon, CRPC®**



Join Jake Falcon and Cory Bittner each week on 'Upticks', our podcast and YouTube show. Stay updated with the latest financial headlines and gain valuable insights to enhance your financial literacy and make informed investment decisions

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