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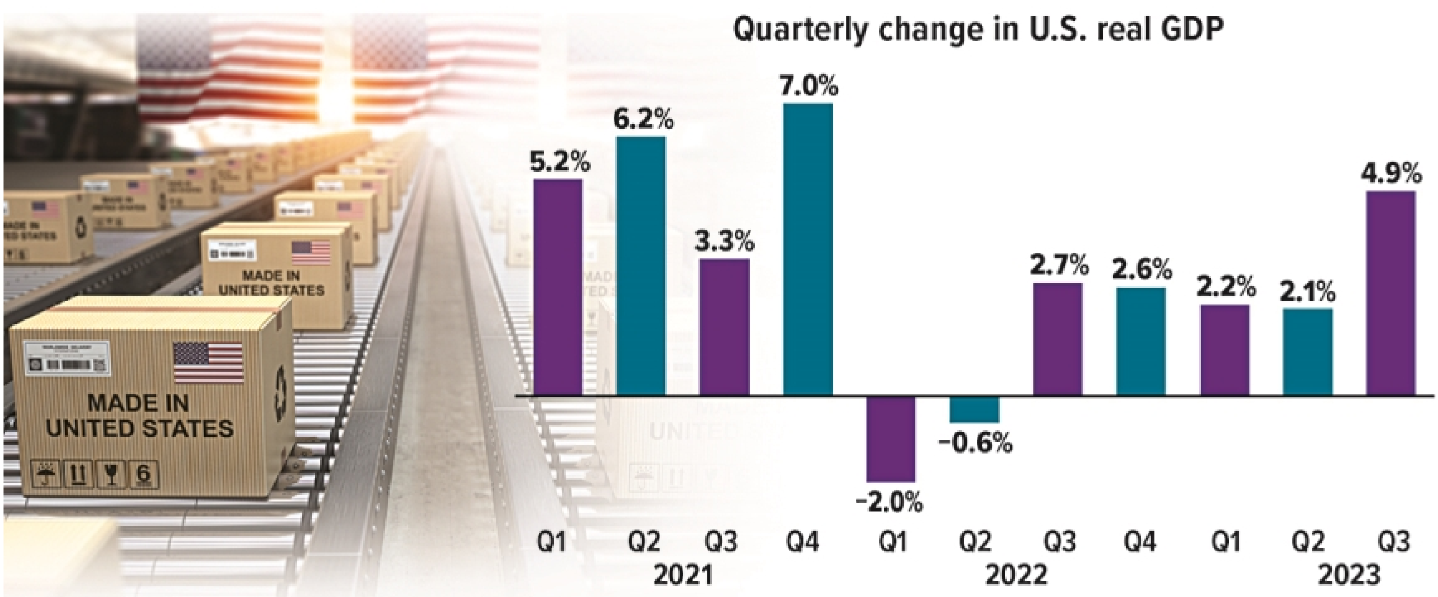
Welcome to the first Mission Financial Morning Bell of 2024! Once again, spring is just around the corner, and we're always excited to see new life begin to bloom. As we move into a new season, we invite you to explore the Blog on our website to see insights from our team on what to expect for the remainder of the year. There, you can find our Market & Economic Outlook, as well as some Key Takeaways for 2024.

As part of our Mission, we will continue to review the progress of your portfolio in effort to ensure it maintains alignment with your blueprint! We believe sticking to the blueprint we've developed together – no matter the season – will help you achieve your most important goals.

Economy Staying Strong

After a worrisome decline in the first half of 2022 — which sparked fears of a recession — U.S. inflation-adjusted gross domestic product (real GDP) has grown steadily. The third quarter of 2023 showed the strongest growth since the post-pandemic bounceback.

Current-dollar (nominal) GDP measures the total market value of goods and services produced in the United States at current prices. By adjusting for inflation, real GDP provides a more accurate comparison over time, making its rate of change a preferred indicator of the nation's economic health.



Source: U.S. Bureau of Economic Analysis, 2023 (seasonally adjusted at annual rates; Q3 2023 based on advance estimate)

Extreme Weather and Your Home Insurance: How to Navigate the Financial Storm

With wildfires in Maui, Hurricane Idalia in Florida, and the heat wave that blanketed the South, Midwest, and Great Plains, 2023 was a record-setting year for extreme weather in the United States. In fact, last year the U.S. saw more weather and climate-related disasters that cost over $1 billion than ever before.[1]

As a result of these extreme weather events, many insurance companies have begun to raise rates, restrict coverage, or stop selling policies in high-risk areas. This has left homeowners in a precarious situation when it comes to home insurance, as many are now faced with higher premiums, lower home values, and the possibility of the nonrenewal of their policies.

If you live in an area that is susceptible to extreme weather events, you'll want to be prepared for the possible disruption of your home insurance coverage. The key is to act quickly so that you can manage your financial risk and help make sure that your home is protected.

Handling a nonrenewal

Depending on the state you live in, if your insurer chooses not to renew your coverage, they generally have 30 to 60 days to send you a notice of nonrenewal. Your first step should be to contact your insurer and ask why your policy wasn't renewed. They may reverse their decision and renew your policy if the reason for nonrenewal can be fixed, such as by installing a fire alarm system or fortifying a roof.

If that doesn't work, you should begin shopping for new coverage as soon as possible. Start by contacting your insurance agent or broker or your state's insurance department to find out which licensed insurance companies are still selling policies in your area. You can also try using the various online comparison tools that will allow you to compare rates and coverage amongst different insurers. Finally, ask for recommendations for insurers from friends, neighbors, and coworkers who live nearby.

Consider high-risk home insurance

If your home is deemed to be at high risk due to its geographic area, you may want to look for an insurance company that specializes in high-risk home insurance.

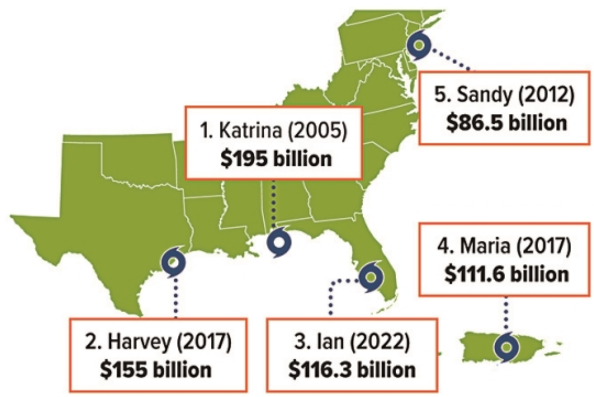
High-risk policies often have significant exclusions and policy limits and are more expensive than traditional home insurance policies. However, they can provide coverage to a home that might otherwise be uninsurable.

Use a FAIR plan as a last resort

If you have trouble obtaining standard home insurance coverage, you may be eligible to obtain coverage under your state's Fair Access to Insurance Requirements (FAIR) plan. Many states offer homeowners access to some type of FAIR plan.[2]

FAIR plans are often referred to as "last resort" plans, since homeowners who obtain insurance through a FAIR plan are usually not eligible for standard home insurance coverage due to their home being located in a high-risk area. Coverage under a FAIR plan is more expensive than standard home insurance and is fairly limited — it usually only provides basic dwelling coverage, although some states may offer other coverage options for things like personal belongings or additional structures. In addition, most states require you to show proof that you have been denied coverage before you can apply for a FAIR plan.

Five Costliest Natural Disasters in U.S. History



Source: NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters, 2023

Avoid expensive force-placed insurance

If you have a mortgage, your lender will require your home to be properly insured. If you lose your home insurance coverage or your coverage is deemed insufficient, your lender will purchase home insurance for you and charge you for it. These types of policies are referred to as "force-placed insurance" and are designed to protect lenders, not homeowners. They usually only provide limited coverage, such as coverage for the amount due on the loan or replacement coverage if the structure is lost.

Force-placed insurance policies are typically much more expensive than traditional home insurance, with the premiums being paid upfront by your lender and added on to your monthly mortgage payment. Your lender is required to give you notice before it charges you for force-placed insurance. In addition, you have the right to have the force-placed insurance removed once you obtain proper home insurance coverage on your own.

1) NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters, 2023

2) National Association of Insurance Commissioners, 2023

Trailblazers: Women Who Made Financial History

March is Women's History Month. What better time to reflect on the contribution women have made to the field of finance? What follows are the stories of just five of the many women who helped blaze the trail for others in investing, banking, finance, and economics.

Victoria Claflin Woodhull and Tennessee "Tennie" Claflin

Victorian-era sisters Victoria Woodhull and Tennie Claflin were pioneers on many fronts. Not only did they launch the first brokerage house by and for women, they started a progressive newspaper supporting women's rights and were also suffragists. In 1872, Woodhull was the first woman to run for president.

The sisters' rise to fame had quite unconventional beginnings. Their father was a "snake oil salesman" who made his young girls serve as psychics and healers in his scams. Woodhull later parlayed this unusual experience into a business relationship with the superstitious tycoon Cornelius Vanderbilt. With the backing of his fortune, the sisters opened Woodhull, Claflin & Co., New York's first female-owned brokerage firm. Through surreptitious means (a hidden back door and a women-only lounge), the company helped women manage their own money during a time when it was frowned upon to do so.[1]

Maggie Lena Walker

Maggie Lena Walker was born to enslaved parents in 1864 in Richmond, Virginia. At just 14 years old, she joined the local council of the Independent Order of St. Luke, an African-American benevolent society that aided the sick and elderly, promoted humanitarian causes, and encouraged individual self-sufficiency. Walker eventually assumed leadership of the organization, where she served until her death. Among her achievements were launching *The St. Luke Herald* newspaper, which encouraged economic independence and, in 1903, becoming the first African-American woman to charter a bank — the St. Luke Penny Savings Bank.

Upon opening, the bank helped hundreds begin saving money, including one person who opened an account with just 31 cents. Walker also encouraged children to save by handing out penny banks and allowing them to open accounts after saving 100 pennies.

The bank later merged with two others to become The Consolidated Bank and Trust Company, the nation's oldest bank continually operated by African-American management until 2009.[2]

Muriel Siebert

The first woman to buy a seat on the New York Stock Exchange (NYSE) and the first to be a superintendent of banking for the state of New York, Muriel Siebert was also the first woman to lead a NYSE member firm.

Considered "a scrapper" with "the same brash attitude that characterized Wall Street's most successful men," Siebert made it her life's mission to fight for women to occupy the most vaunted seats at Wall Street's proverbial tables. She donated millions to help women secure careers in business and finance.

At a 1992 luncheon where she was honored for her life's work, Siebert said women "...are still not making partner and are not getting into the positions that lead to the executive suites. There's still an old-boy network. You have to keep fighting."[3]

Dr. Janet Yellen

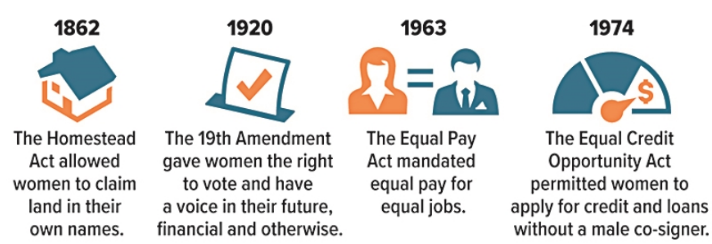
Currently serving as U.S. Secretary of the Treasury — the first woman to do so — Dr. Janet Yellen has been a standout in the field of economics for decades.

Born to a middle-class family in Brooklyn, New York, Dr. Yellen graduated summa cum laude from Brown University in 1967 and earned her Ph.D. in economics from Yale in 1971, the only woman to do so that year. After teaching at several top universities, including Harvard and the London School of Economics, she served as a member of the Federal Reserve Board of Governors.

In 1997, President Bill Clinton appointed her as the first woman chair of the White House Council of Economic Advisors. She later went on to serve the Federal Reserve System in a variety of leadership roles. In October 2013, President Barack Obama nominated her for the position of Federal Reserve Board Chair, the first woman to hold that role.

Dr. Yellen is not only the first woman to lead the U.S. Treasury, the Federal Reserve Board, and the White House Council of Economic Advisors, she also is the first *person* to have held all three posts.[4]

Milestones in Financial HERstory



Source: HerMoney, 2022

1) Museum of the City of New York

2) National Park Service and the National Women's History Museum

3) *The New York Times,* August 25, 2013

4) National Women's History Museum and Investopedia

Why Family Businesses Should Have Succession Plans

In recent years, the family drama surrounding an aging media mogul — and his unresolved succession plans — have been at the center of a hit television show. For family businesses, succession plans are designed to ensure the orderly transfer of ownership and leadership to the next generation. But relationships among family members are sometimes just as complicated in real life as they are on TV and monetizing a closely held business to help fund retirement often takes longer than expected.

In fact, only 34% of family businesses have a robust, documented, and communicated succession plan in place.[1] Much like the fictional billionaire in "Succession," some leaders avoid the issue because they love running their businesses and don't want to stop any time soon.

But one never knows what the future has in store. Even if you are happy, healthy, and determined to stay involved in your business for years to come, you might be glad you took the time to develop a thoughtful succession plan.

Set a target

It might be wise to have a realistic retirement date in mind. Any effort to identify and groom a successor might take longer than you expect. And if you plan to sell your company, it could take several years to find a qualified buyer, begin the ownership transition, and finalize the transaction. To get the best possible price and terms, you may need to focus on improving the company's balance sheet before you put it on the market.

Stage your exit

Keeping your business in the family may be an easy decision if an adult child or another relative is capable, willing, and prepared to take over. If so, finding ways to reduce the value of the business on paper could help you gift ownership shares with fewer tax consequences.

Otherwise, it may be possible to sell your business to co-owners, outsiders, or even your own employees. Closing and liquidating the assets could be the only viable option for some businesses.

Invest for retirement

Making annual retirement plan contributions with some of your profits can build wealth outside of your business and help insulate your personal financial picture from risks associated with your business's distinct market. Building a separate investment portfolio might also provide greater flexibility during and after a transfer of ownership.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful.

1) US Family Business Survey, PwC, 2023
