

SUMMER 2019 NEWSLETTER

Beware of More Scams

Recently Cheryl received a call to her cell phone stating that she had issues with her social security information and that her information was at risk of becoming exposed. The caller claimed he was from the Social Security Administration. As we have stated in the past, the IRS and the Social Security Administration will NEVER notify you by telephone of an issue. Since Cheryl received the call, we have learned that this particular scam is prevalent at this time.

It is more important than ever to be suspicious of any type of communication that states it is from a governmental agency. Please do not hesitate to contact us with any questions or concerns that you may have. Fraudsters continue to work overtime trying to come up with the next scam and we need to remain vigilant in trying to protect our personal information.

Possible Upcoming Positive Retirement Plan Changes

We are cautiously optimistic that there will be good news this year coming from Congress regarding changes to retirement plan legislation. Currently there is strong bipartisan support for the bill known as the Setting Every Community Up for Retirement Enhancement Act (SECURE Act). In May, the U.S. House of Representatives voted 417 to 3 to pass the bill.

According to the April 2, 2019, CNBC article "House Committee Passes Bill to Upgrade 401(k) Plans Amid 'Retirement Income Crisis'" written by Ylan Mui, the main features include measures that would impact savings, as well as a host of provisions aimed at encouraging small businesses to provide private retirement benefits to their workers. Key components include:

- Repealing the maximum age for IRA contributions and raising the age for required mandatory distributions (RMDs) from 70½ to 72.
- Expanding the use of 529 plans to include home schools and student loans.
- Requiring businesses to offer retirement benefits to long-term, part-time workers.
- Allowing small companies to band together to offer 401(k)s.
- Creation of a new tax credit of up to \$500 for companies that set up plans with automatic enrollment.

It seems that changes regarding retirement plans occur in sweeping legislation as demand for these changes builds over many years. In our opinion, these improvements are long overdue. We hope to be reporting to you that this bill becomes reality. Stay tuned!

Check Your Social Security Estimates

For those of you who are not yet collecting Social Security benefits, we recommend that you review your Social Security report annually to confirm your income is properly recorded. It is important for two reasons: 1) to make sure you will receive the correct benefit amount when that time comes, and 2) to make sure you have not been the target of identity theft. Potential fraud may have occurred using your Social Security number if you find that your reported earnings are much higher than they should be.

Checking your Social Security Benefit estimates is another way to prevent fraud. Your statement can be viewed online at www.ssa.gov/myaccount

Shredding Event

Thanks to everyone who joined us for this event. Collectively, we disposed of 2,100 pounds of paper. This was our 4th year holding this event. Once again, we enjoyed perfect weather, lunch from Macken's Sliders, and great conversation. We plan to host another shredding event next year so keep that in mind for any paper recycling that may include confidential information. These items should not go into your regular recycling but should be crosscut which ensures that the confidential documents cannot be read after shredding.

Our Building

If you follow local real estate, you may notice that our building at 19 Research Drive in Amherst is for sale. The building has two office spaces that are leased to other companies. Our space occupies the middle section and a one-bedroom apartment is located on the far wing. Cheryl and Lorraine have decided that they do not want to manage real estate in retirement and recently listed the building. To ensure that our firm will not be forced to move when the sale occurs, the purchase agreement states that Hart & Patterson has a guaranteed three-year renewable lease. Hart & Patterson Financial Group is not for sale. We will simply have a new property owner at some point in the future. It is business as usual!

Market Update

As we write this, the markets are once again moving in both directions based on talks about tariffs. Concerns about the cost of tariffs at the consumer level raises valid concerns about economic growth. When the costs of goods rise because of the additional cost of tariffs, it causes a domino effect starting with production costs all the way to the end consumer. It seems to us that volatility will continue, as this Administration believes that tariffs and the threat of tariffs are the way to negotiate with our trading partners. Overall our markets are starting the first half of the year with robust returns. However, as the rhetoric in Washington continues to heat up, expect volatility.

Please do not forget that interest rates continue to be at incredibly low rates. It is a great time to borrow money if needed. The Federal Reserve has put a hold on raising rates in the short run so this opportunity will not be going away anytime soon. We will keep you posted.

If Your Estate Planning Documents Need to be Updated, Please Do it Properly!

Soon after the death of Aretha Franklin, it was widely reported that she died without a will. There are many stories of celebrities and other famous people who die without proper estate planning documents. In a recent *New York Times* article dated May 21, 2019, "Did Aretha Franklin Leave Her Will Under the Couch Cushion?" by Ben Sisario and Steve Friess, it states that three handwritten wills had been found in her home. One of the wills was found in a spiral notebook under her sofa cushions while the others were in a locked cabinet. Talk about an unnecessary mess! We can only guess how long it will take to sort this out and how much the legal bill will be to do so. Who knows? Maybe there are other handwritten wills waiting to be found in her home!

If none of the wills are deemed to be valid under Michigan law, then her estate will be divided equally among her four sons according to state law. We have discussed the importance of properly executed estate planning documents. By making sure that your estate planning documents are current and follow proper state law, you are ensuring that your loved ones will not have the added burden of trying to prove your intentions. One of the greatest gifts we can leave our loved ones is to tee up the estate process as best as we can. Please do not be tempted to write your own will online or in a spiral notebook. We strongly encourage every client to work with an attorney who specializes in estate planning. The world of estate planning is complicated and changes frequently enough that we feel it is critical to work with an attorney who specializes in this area of the law.

While we are on this subject, it is a good time to remind everyone to keep beneficiary forms up to date. If your intentions or circumstances change, please contact us and we will be happy to work with you to update your beneficiary designations.

As always, if you have any questions or concerns please be in touch.

Wishing you all a wonderful summer season!

Vikki D. Lenhart
Registered Principal/Investment Advisor Representative
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Green Cabbage Salad with Pepitas

½ cup unsalted pepitas (pumpkin seeds)
4 ½ Tbs. extra-virgin olive oil
1 tsp. chili powder
Kosher salt
2 Tbs. fresh lime juice
2 tsp. finely grated lime zest
2 tsp. agave syrup or honey
Freshly ground black pepper
½ medium head green cabbage, cored, halved lengthwise, and thinly sliced (about 6 cups)
1 small red bell pepper, thinly sliced (about 1 cup)
6 scallions, thinly sliced (1 ½ cups)
1 jalapeño, thinly sliced
½ cup cilantro leaves
3 ½ oz. (¾ cup) crumbled Cotija, feta, or ricotta salata cheese

Put the pepitas in a small skillet over medium-low heat. Cook for approximately five minutes, stirring frequently, until the pepitas smell fragrant and start to brown. Stir in ½ Tbs. of the oil, ½ tsp. of the chili powder, and ¼ tsp. salt. Set aside to cool.

In a small bowl, combine the lime juice, lime zest, agave, the remaining ½ tsp. chili powder, ½ tsp. salt, and ¼ tsp. black pepper. Use a fork to whisk in the remaining 4 Tbs. oil. Set aside.

In a large serving bowl, combine the cabbage, bell pepper, scallions, jalapeño, and ¼ cup of the cilantro. Add the vinaigrette and toss well. Add the remaining ¼ cup cilantro, cheese, and half of the spiced pepitas and toss to combine. Serve topped with the remaining pepitas.

Make Ahead Tips

The salad can be made up to 1 day ahead, refrigerate and cover.