

November, 2017

Breaking Records on This Journey Together



Here we are at the end of 2017. Another year is almost behind us. As I reflect on 2017, it was a year filled with some exciting changes, as well as, a number of new firm records being set.

We welcomed our two new associates Jen Allen and Ray Casey – both of whom have done an incredible job working through an intense training process and have gotten up to speed remarkably quickly. I am very blessed to have both of them on our team!



After nearly 6 months of data entry, we launched the DCS Portfolio Plus Service, which enables our clients to identify important online accounts they wish to have control transferred to upon their demise. Maggie Dellinger graciously agreed to head up this project and invested well over a hundred hours of time getting this project implemented. The roll out was incredibly smooth and to date the client feedback has been very positive. Our firm had one of the highest signup rates in the country!

In August and September, we updated close to 200 trusts through our Client Update Programs. Pat McCrea continues to amaze me with how she organizes and tracks every aspect of this program. This was the largest number of clients we have ever updated in one year.

Nicole Leffel and Jen Allen have done an amazing job refining our estate settlement procedures. Although we have a number of new systems we plan on integrating into our settlement process, I remain confident progress will continue over the coming months.

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It should also be noted that Maggie Dellinger continues to set firm records with the speed at which she has completed the initial funding of client's trusts. Over the past year, she has reduced the average time from over a hundred days to 56 days! Maggie devotes over 40 hours of time on each new client to the funding of their trust.

In May and June of this year, we had almost 500 clients attend one of our Annual Client Meetings. This is also a firm record!
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Additionally, over 150 clients attended one of our summer educational programs (i.e. Back to Basics, Wealth Reception™ or What to Do™)! It was great to see so many of you take advantage of these programs.

Indeed, 2017 will be remembered as a busy year! Looking to the future, Jen, Ray and I have been developing several new services to address the changing needs of our client family as we deal with the sometimes challenging aspects of aging. We will have more information to share on this and a number of other issues at the Annual Client Meetings next year.

On behalf of our entire service team, please have a joy filled and safe holiday season!

Peace!

Scott

Long Term Care Insurance: Not The Product It Used to Be!

By Raymond J. Casey, Esq.



For many Baby Boomers and Seniors, the thought of paying for nursing home care can be frightening. While many facilities provide wonderful, compassionate care, it is very expensive – in northeast Ohio usually around \$7,500/month and up.

Long term care insurance can be a powerful tool to cover the cost of a nursing home bill. However, a primary complaint about long term care insurance in the past was that it was “use it or lose it.” An individual could pay premiums on the policy for thirty years, and then if they pass away without ever needing care, there was no return on the premiums.



This is no longer the case. New long term care insurance products are available now that pay a death benefit if the long term care benefit is not used. There are also life insurance and annuity products that allow an individual to draw on the death benefit to pay for long term care.

Your financial advisor will be happy to discuss long term care insurance options with you and help find a policy that fits your needs. If you would like a referral to a qualified financial advisor, please don't hesitate to contact us.

New Client Workshops

We continue to offer our New Client Orientation Workshops for prospective clients. These workshops are not only a pre-requisite first step in our planning process, but also provide a solid overview of both the planning and update process.

We also explore more traditional estate planning topics such as probate avoidance and tax savings, in addition to strategies to reduce professional fees. Prospective clients may register for a New Client Orientation Workshop by registering online (www.LifeDesignLaw.com) or by calling us at (216) 236-6480.

New Client Workshop Dates:

*Tuesday, December 5,
9:30 to 11:30 a.m.*

*Wednesday, December 13,
6:00 to 8:00 p.m.*

*Tuesday, January 9,
1:00 to 3:00 p.m.*

Preparing a Winter Safety Kit For Your Vehicle



Winter weather in Northeast Ohio is often unpredictable. A sudden snow storm can make driving conditions very hazardous. If you ever find yourself stranded in your vehicle because of a breakdown, weather conditions, or traffic, a winter safety kit can ensure you stay safe and warm until help can arrive, or weather conditions improve.

A winter safety kit should include water, snacks, a shovel, windshield scraper, a battery powered radio, a blanket or sleeping bag, extra hats and gloves, a rope or chain, jumper cables, and road salt or cat litter for traction.

If possible, your winter safety kit should be stored in the passenger compartment of your vehicle in case the trunk is frozen shut or jammed. Pay attention to local weather and traffic reports before planning your errands or trips for the day.



Speaking of Vehicle Safety...

Remember the excitement of getting your first driver's license? Would you still be able to pass the written portion of the exam? Let's find out!

- 1. Unless posted otherwise, the speed limit in a residential area is:**
 - a. 25 miles per hour
 - b. 20 miles per hour
 - c. 35 miles per hour
 - d. 15 miles per hour
- 2. A flashing red traffic signal at an intersection has the same requirements as which of the following?**
 - a. A slow sign
 - b. A yield sign
 - c. A stop sign
 - d. An intersection sign
- 3. If someone has consumed alcoholic drinks, what will help the person overcome the influence of those drinks?**
 - a. Tomato juice and lime
 - b. Hot coffee
 - c. Fresh air
 - d. Time
 - e. Listening to an hour recording of Scott teach tax law
- 4. Child restraints are required for which of the following?**
 - a. All children who are under the age of eight and are less than 4'9"
 - b. All children for whom the driver of the car is the parent or guardian
 - c. All children who are seated in the front seat
 - d. All children who are under the age of six when air bags are not available



5. When two vehicles arrive at an intersection at the same time, which one has the right-of-way when no signs or signals indicate rules?

- a. The car approaching from the right has the right-of-way
- b. The car approaching from the left has the right-of-way
- c. The car in which the driver sounds her horn first has the right-of-way
- d. The car that is traveling faster has the right-of-way

Answers: 1) A; 2) C; 3) D; 4) A; 5) A

1099s and End of Year Account Statements

January and February are the months you should be receiving your end of year account statements and 1099s. As you collect these documents in anticipation of tax season, we encourage you to compare these documents against your Asset Review Reports which will be sent in mid-February. This is a great way to make certain there are no assets that are not funded to your trust.



Holiday Schedule

With the holiday season quickly approaching, we will once again be taking some holiday respites. In observance of the Thanksgiving holiday, our office will be closed beginning at 1:00 on Wednesday, November 22nd and will reopen on Tuesday, November 28th and 9:00 a.m.

We will also be closed the week of December 25th and will re-open on Monday, January 2nd. This is one of the ways we give back to our team for all of the extra-long hours they put in during Annual Client Meeting and Client Update Program seasons.

If you experience an emergency situation during this time, please leave a message on Scott's voicemail (extension 101). Scott will be reviewing messages and emergency calls will be returned upon receipt.

Grocery Delivery Services

As the blistering icy cold winter months approach, have you considered utilizing a local grocery store's delivery or curbside pick-up service for groceries? A growing trend is happening where grocery stores are offering this service at very reasonable costs. Often, grocery stores are providing the "first delivery" or "first 30-days" free to try out the service.



For example, recently Giant Eagle expanded their Express pickup service to a home delivery program for 38 stores in the Cleveland area. Home Delivery costs are \$12.95 per order, with no minimum purchase and no subscriptions. Additionally, there is no requirement to tip the delivery drivers. (Please check with each store to confirm prices prior to use).

Other grocery stores in the area that include these services are Heinen's Fine Foods, Acme Fresh Market, Wal-Mart, and Mustard Seed Market. Check out all of these store's websites for more details and you may never need to go to a grocery store again!

How Long Should I Keep Those Records?

Have you ever wondered how long you should maintain your tax records and other important documents? It is an issue we are asked about from time to time and the rules differ depending on what the documentation is for. Here is a quick summary:



For Income Tax Returns: Income tax returns (and any tax records that support any deductions or income you have reported) should be maintained for at least three years. The IRS has a three year statute of limitations on auditing income tax returns. But be careful, there are some exceptions to this rule. If you have under-reported your income by more than 25%, the statute of limitations is extended to up to seven years. Additionally, there is no statute of limitations if you have not filed a return or have submitted a fraudulent return. If you want to err on the side of caution, you should maintain your income tax records indefinitely.

For Gift Tax Returns: We recommend you maintain any 709 Gift Tax returns indefinitely as any amounts gifted in excess of the annual gift tax exemption are deducted from your federal estate tax coupon on death.

For Estate Tax Returns: Of course if you are deceased you will not be too worried about maintaining your estate tax return. But your loved ones you are leaving assets to should be given a copy of these returns by your trustee or executor as they will contain date of death values on assets which will be needed for determining the adjusted basis for capital gains tax purposes when the assets are eventually sold.

For Investments, Stock, IRAs and Real Estate: You should maintain these records for as long as you have the assets so you can establish the adjusted basis for capital gains taxes.

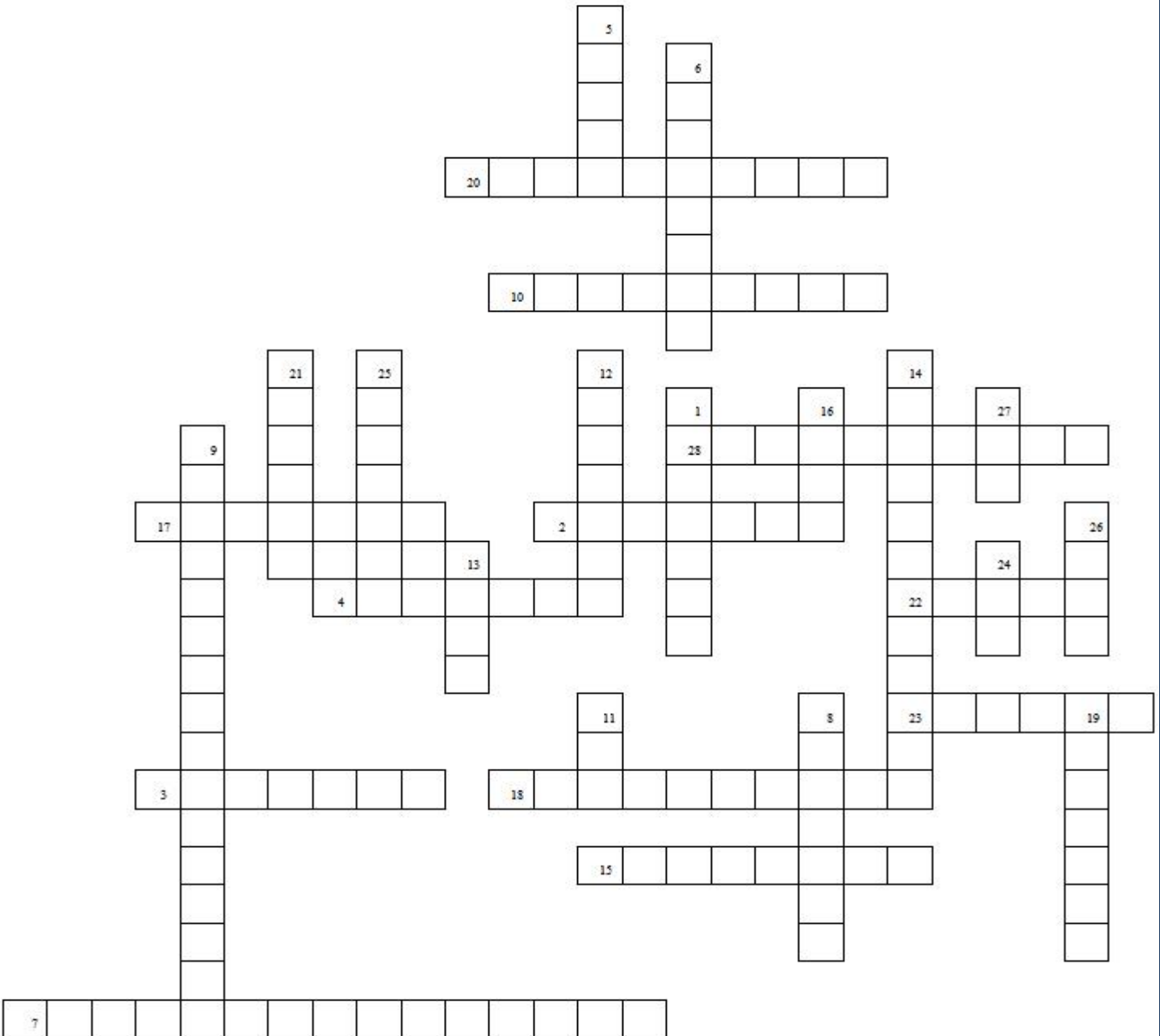


Warranties: When purchasing items covered by a manufacturer's warranty, you should maintain a copy of the receipt, the owner's manual and the warranty information for as long as you maintain the product. Some companies will actually honor warranties after the expiration date.

Deeds: Once a deed has been recorded with a county recorder's office, it is no longer necessary to maintain a copy of the deed. If the deed has not been recorded, you should maintain the original in a safe location as the deed is not legally binding until such time as it has been recorded.

Storage: Of course maintaining all of these records can take up a significant amount of space. If you are computer savvy, you may want to consider investing in a document scanner. In 1997, the IRS began to accept scanned documents. Note that a good document scanner also needs to include software to organize and potentially retrieve documents in the future. The cost of a good document scanner can range between \$150 and \$500 dollars so be certain to do your research before buying.

Estate Planning Crossword Puzzle:



Across

2. Location of your Original Signed Trust Documents
3. Process of getting all assets in the Trust
4. They attend the What to Do™ Workshop
7. Strategy to protect beneficiaries from spending their inheritance
10. Creditor protection story
15. Where health care documents are stored
17. Documentation of Values
18. _____ is the key to retention
20. Process of winding down affairs
22. Marathon runner _____ Young
23. Memorandum of _____ authorizes a Trust Protector
28. Tennis Pro protection

Down

1. Fully funding trusts avoid this
5. Primary estate planning document
6. Where your LifeDesign™ calendar is stored
8. Your trust should be the _____ beneficiary of your IRA
9. List used to distribute sentimental items
11. Abbreviation for biennial meeting
12. Website Password
13. Abbreviation for plan summary
14. Written funding confirmation
16. Where not to race to upon death
19. National _____ of Estate Planning Attorneys
21. Amount transferable without federal estate tax
24. Envelope used at Annual Client Meeting
25. Type of Trust Protection
26. Tax on lifetime transfers
27. Abbreviation for advice and counsel group

Equifax Data Breach

Over the past few months, we have received a number of calls from clients asking if we had any recommendations as to any actions that should be taken in light of the data breach that occurred at Equifax. As this is a matter of first impression, there is no past practice to give us direction as to what actions to take.

The Federal Trade Commission has published the following guidelines:



Here are some other steps to take to help protect yourself after a data breach:

- **Check your credit reports** from Equifax, Experian, and TransUnion — for free — by visiting annualcreditreport.com. Accounts or activity that you don't recognize could indicate identity theft. Visit IdentityTheft.gov to find out what to do.
- **Consider placing a credit freeze on your files.** A credit freeze makes it harder for someone to open a new account in your name. Keep in mind that a credit freeze won't prevent a thief from making charges to your existing accounts.
- **Monitor your existing credit card and bank accounts closely** for charges you don't recognize. If you decide against a credit freeze, **consider placing a fraud alert on your files.** A fraud alert warns creditors that you may be an identity theft victim and that they should verify that anyone seeking credit in your name *really* is you.
- **File your taxes early** — as soon as you have the tax information you need, before a scammer can. Tax identity theft happens when someone uses your Social Security number to get a tax refund or a job. Respond right away to letters from the IRS.

Protecting Yourself Online

Unfortunately, the Internet is still a prime spot for scammers to take advantage of people financially, particularly seniors. Recently, a scam has been going around where an individual will call you and pretend to be from Microsoft or a computer security company.

The caller will tell you that your computer is infected with viruses and they will offer to remotely log in to your computer and clean up the viruses. Once the scammer has logged in to your computer, they have full access to all your files — including financial records and computer banking information.

Be wary of any calls received from people claiming to be computer experts and do not install any software or visit any websites they try to direct you to.

Similarly, be careful and avoid clicking on any links from pop-up advertisements or from unfamiliar email addresses.



2018 Annual Client Meeting Changes

There are several changes we are making to next year's Annual Client Meetings. First, we are encouraging each of our clients to invite their primary and backup helpers to the program. This will enable the people who will be asked to assist you during a disability or to wind down your affairs to gain a better understanding of their responsibilities. We will be adding additional programs to accommodate a larger number of attendees.

At the suggestion of the Client Advisory Board, in addition to the Middleburgh Heights Community Center, we will also be hosting a number of Annual Client Meetings in Independence close to our office. Our hope is these will be more accommodating to our clients who live east of the river. We will provide details and dates in mid-February.

Stuffed Cabbage Soup!

Ingredients

2 lbs. ground meat.
2 large onions (chopped)
Brown and then drain this mixture- then add the following:

3 lbs. cabbage (chopped)
½ cup white sugar
¼ cup lemon juice
1 14 oz. can of beef broth
2 large cans of tomato sauce
1 large can of diced tomatoes
2 large cans of water (use the tomato sauce cans to rinse them out)
½ cup to ¾ cup uncooked white rice



Bring entire mixture in the pot to a boil on medium heat. Then simmer until rice and cabbage are done.

Makes 6-8 hearty servings

Crossword Puzzle Answers

Across:

- 2. REDBOOK
- 3. FUNDING
- 4. HELPERS
- 7. WEALTHRECEPTION
- 10. SCHOOLBUS
- 15. DOCUBANK
- 17. MEMOIRS
- 18. REPETITION
- 20. SETTLEMENT
- 22. CLIFF

- 23. INTENT
- 28. REMARRIAGE

Down:

- 1. PROBATE
- 5. TRUST
- 6. BLUEBOOK
- 8. PRIMARY
- 9. SPECIALSTUFF
- 11. CUP

- 12. SUCCESS
- 13. EPRW
- 14. VERIFICATION
- 16. BANK
- 19. NETWORK
- 21. COUPON
- 24. BIG
- 25. DIVORCE
- 26. GIFT
- 27. CAB