

GFCReport

“Financial Advice You Can Trust”



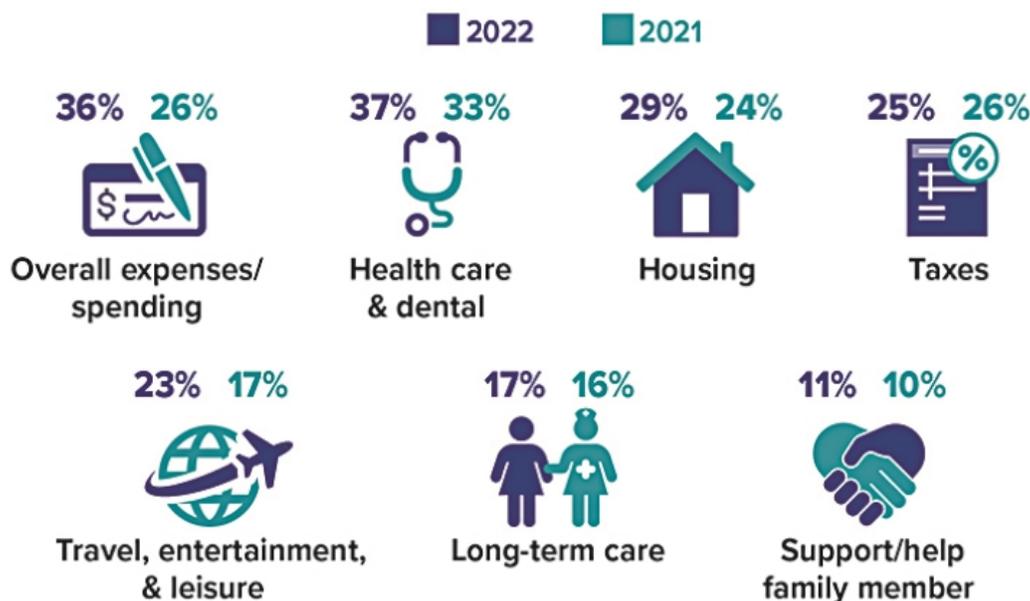
GEORGE CERWIN
GFC FINANCIAL MANAGEMENT

2764 Sunset Point Rd #600 • Clearwater • FL • 33759
Office: 727-724-9499 • Fax: 727-724-9438
gcerwin@sagepointadvisor.com • www.gfcfinancial.com



Spending Higher Than Expected for More Retirees in 2022

Considering high inflation, it's not surprising that the percentage of retirees who said their spending was higher than expected increased in 2022 over 2021. These surveys were conducted in January of each year, so with inflation continuing to run high, it's likely that even more retirees may be experiencing unexpected spending.



Source: Employee Benefit Research Institute, 2022

Finding Forgotten Funds

As a child, you may have dreamed about finding buried treasure, but you probably realized at an early age that it was unlikely you would discover a chest full of pirate booty. However, the possibility that you have unclaimed funds or other assets waiting for you is not a fantasy.

Billions of dollars in unclaimed property are reported each year, and 10% of people have some form of property waiting to be returned by state unclaimed property programs.¹ So how do you find what is owed to you, even if it's not a fortune? One of the challenges of finding lost property is knowing where to look.

State Programs

Every state has an unclaimed property program that requires companies and financial institutions to turn inactive account assets over to the state if they have lost contact with the rightful owner for a period of time. In most states, this dormancy period is three to five years, but may be shorter or longer depending on the type of property and on state law. It then becomes the state's responsibility to locate the owner.

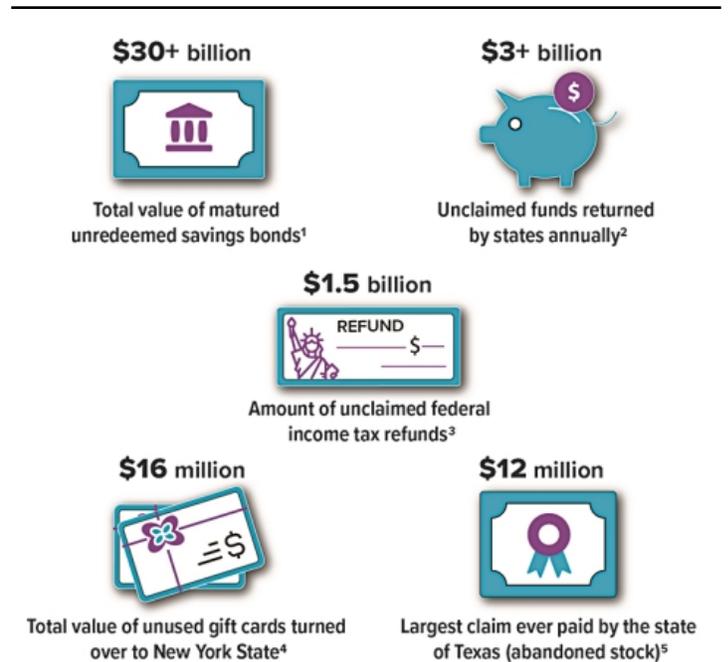
For state programs, unclaimed property might include financial accounts, stocks, uncashed dividends and payroll checks, utility security deposits, insurance payments and policies, trust distributions, mineral royalty payments, gift cards, and the contents of safe-deposit boxes. State-held property generally can be claimed in perpetuity by original owners and heirs.

Most states participate in a free national database sponsored by the National Association of Unclaimed Property Administrators called [MissingMoney.com](https://www.missingmoney.com). You might also check specific databases for every state where you have lived. For more information and links to individual state programs, see the National Association of Unclaimed Property Administrators at [unclaimed.org](https://www.unclaimed.org).

Even if your search isn't fruitful the first time you look, check back often because states regularly update their databases.

Federal Programs

Unclaimed property held by federal agencies might include tax refunds, pension funds, funds from failed banks and credit unions, funds owed investors from U.S. Securities and Exchange Commission enforcement cases, refunds from mortgages insured by the Federal Housing Administration, and matured unredeemed savings bonds. There is no single searchable database for federal agencies, but you can find more information and links to sites you can search at [usa.gov/unclaimed-money](https://www.usa.gov/unclaimed-money).



Sources: 1) U.S. Department of the Treasury, 2022 (as of December 2021); 2) National Association of Unclaimed Property Administrators, 2022; 3) Internal Revenue Service, 2022 (data for 2018 tax year); 4) Office of the New York State Comptroller, 2022 (data for 2021); 5) Texas Comptroller of Public Accounts, 2022

Submitting a Claim

To claim property, follow the instructions given, which will vary by the type of asset and where the property is held. You'll need to verify ownership, typically by providing information about yourself (such as your Social Security number and proof of address), and submit a claim form either online or by mail. What if the listed property owner is deceased? A claim may be made by a survivor and will be payable according to state or federal law.

Avoiding Scams

Finding and receiving any unclaimed property to which you are entitled should not cost you money. Some states allow legitimate third-party "finders" to offer to help rightful owners locate property for a fee, but you do not need to pay them in order to receive the property. Be on the lookout for scammers who pretend to have unclaimed property in order to trick you into revealing personal or financial information. Before you sign any contracts or give out any information, contact your state's unclaimed property office.

1) National Association of State Treasurers, 2022

Famous People Who Died Without Proper Planning

The importance of proper estate planning cannot be overstated, regardless of the size of your estate or the stage of life you're in. Nevertheless, it's surprising how many American adults haven't put a plan in place.

You might think that those who are rich and famous would be way ahead of the curve when it comes to planning their estates properly. Yet plenty of celebrities and people of note have died with inadequate or nonexistent estate plans.

Michael Jackson

The king of pop died in June 2009 with an estate worth an estimated \$600 million. Jackson had prepared an estate plan that included a trust. However, he failed to fund the trust with assets prior to his death — a common misstep when including a trust as part of an estate plan. While a properly created and funded trust generally avoids probate, an unfunded trust almost always requires probate. In this case, Jackson's trust beneficiaries had to make numerous filings with the probate court in order to have the judge transfer assets to the trust. This process added significant costs and delays, and made what should have been a private matter open to the public.

Trusts incur upfront costs and often have ongoing administrative fees. The use of trusts involves a complex web of tax rules and regulations. You should consider the counsel of an experienced estate planning professional and your legal and tax professionals before implementing such strategies.

James Gandolfini

When the famous *Sopranos* actor died in 2013, his estate was worth an estimated \$70 million. He had a will, which provided for various members of his family. However, his estate plan did not include proper tax planning. As a result, the Gandolfini estate ended up paying federal and state estate taxes at a rate of 55%. This situation illustrates that a carefully crafted estate plan addresses more than just the distribution of assets. Taxes and other expenses could be reduced, if not eliminated altogether, with proper planning.

Americans Are Putting Off Estate Planning



2 out of 3

Americans still don't have a will despite the COVID-19 pandemic



56%

of Americans said that having a will or a living trust is very or somewhat important



40%

of Americans cite procrastination as the main reason they don't have a will

Source: 2022 Wills and Estate Planning Study, Caring.com

Prince

Prince Rogers Nelson, better known as Prince, died in 2016. He was 57 years old, still making incredible music, and entertaining millions of fans throughout the world. The first filing in the Probate Court for Carver County, Minnesota, was by a woman claiming to be his sister, asking the court to appoint a special administrator because no will or other testamentary documents were filed. Since Prince died without a will, the distribution of his over \$150 million estate was determined by state law. In this case, a Minnesota judge was tasked with culling through hundreds of court filings from prospective heirs, creditors, and other "interested parties." The proceeding was open and available to the public for scrutiny.

Barry White

Barry White, the deep-voiced soulful singer, died in 2003 without a will or estate plan. He died while legally married, although he'd been separated from his second wife for many years and was living with a long-time girlfriend. He had nine children. Because he had not divorced his wife, she inherited everything, leaving nothing for his girlfriend or his children. Needless to say, a legal battle ensued.

Heath Ledger

Formulating and executing an estate plan is important. It's equally important to review your documents periodically to be sure they're up-to-date. Not doing so could result in problems like those that befell the estate of actor Heath Ledger. Although Ledger had prepared a will years before his death, several changes in his life transpired after the will was written, not the least of which was his relationship with actress Michelle Williams and the birth of their daughter Matilda Rose. The will left nothing to Michelle or Matilda Rose. Fortunately, Ledger's family later gave all the money to his daughter, but not without some family disharmony.

Florence Griffith Joyner

An updated estate plan works only if the people responsible for carrying out your wishes know where to find these important documents. When Olympic medalist Florence Griffith Joyner died in 1998 at the young age of 38, her family couldn't locate her will. This led to a bitter dispute between her husband, Al Joyner, and Flo Jo's mother, who claimed her daughter had promised that she could live in the Joyner home for the rest of her life.

Tips for Safe Online Shopping

According to the National Retail Federation, online sales accounted for over \$1 trillion of total U.S. retail sales in 2021.¹ Online shopping is especially popular during the holiday season, enabling you to avoid the crowds and conveniently purchase gifts using your smartphone or computer. Unfortunately, the popularity of online shopping also means that cyber criminals and online scams are more prevalent than ever. Here are some tips to help protect yourself when shopping online.

Check your device. Make sure that all of your devices (e.g., mobile phone, computer, and tablet) are up-to-date and configured to update automatically or notify you when updates are available.

Maintain strong passwords. Create strong passwords, at least 8 characters long, using a combination of lower- and upper-case letters, numbers, and symbols, and don't use the same password for multiple accounts.

Use multi-factor authentication when available.

Two-factor or multi-factor authentication, which involves using a one-time code sent to your mobile device in addition to your password, provides an extra layer of protection.

Watch out for phishing emails. Beware of emails that contain links or ask for personal information. Legitimate shopping websites will never email you and randomly ask for your personal information.

In addition, don't be fooled by fake package delivery updates. Make sure that all delivery emails are from reputable delivery companies you recognize.



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Beware of scam websites. Typing one word into a search engine to reach a particular retailer's website may be easy, but it might not take you to the site you are actually looking for. Scam websites often contain URLs that look like misspelled brand or store names to trick online shoppers. To help determine whether an online retailer is reputable, research sites before you shop and read reviews from previous customers. Look for *https://* in the URL and not just *http://*, since the "s" indicates a secure connection.

Use credit instead of debit. Credit cards generally have better protection than debit cards against fraudulent charges. In addition, consider using a mobile payment service (e.g., Apple Pay or Google Pay), which doesn't require you to give your credit-card information directly to a merchant.

1) National Retail Federation, 2022

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