



UPDATE

Margaret McDeed, Editor

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Dwight Darby & Company

Certified Public Accountants

JUST EAT THE FROG

Dawn M. Lopez

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I have learned so much from what a co-worker of mine once said, "just eat the frog". It has become my motto. In fact, I have a poster in my office reminding me of this saying. Simply put, do the thing first that you are dreading. Get it out of the way and the rest is easy.

So, I am in the middle of eating the frog right now. I am updating my will, health care surrogate/living will and durable power of attorney. It has been 21 years since I last looked at these documents. Way too long according to the experts. A good rule of thumb is to pull the documents out every three to five years and review them or when there is a big life event, if sooner.

Most people have uncomplicated estates and don't require much more than the documents mentioned above. However, if you do not take some very simple steps in advance, your uncomplicated estate can be somewhat cumbersome to settle at your death. Your assets should have designated beneficiaries (or payable on death designations) already established so that when you pass they avoid probate and will be passed to the beneficiary immediately.

However, there is one asset that you cannot designate a beneficiary and

that is your home. But one way to avoid probate of your home is to utilize an 'enhanced life estate deed'. An **enhanced life estate deed** is a special deed recognized by three states: Florida, Michigan and Texas. It is also commonly referred to as a "Lady Bird" deed. It can be used to transfer ownership of real estate outside of probate to a beneficiary (referred to as the remainder interest) named in the deed. You can retain the right to sell, convey, mortgage, lease or dispose of the property during your lifetime without needing the permission of the remainder interest. There are a few disadvantages which I feel in my own personal situation is of no consequence.

If this topic is of interest to you I have a few attorneys that I would recommend you speak with if you need a referral. They can help you decide if the enhanced life estate deed is right for you as well as help you update or prepare your estate documents.

Just eat the frog.



SMARTPHONE SECURITY

Pam Mattox

Our smartphones (phone) today are so powerful that we are able to use the phone for tasks that in the past required a computer. This means that we need to protect our phone from cybersecurity threats just as we would a desktop or laptop computer. Following are some steps to help protect your phone from mobile security threats:

1. Set a PIN or a Password – Setting a PIN or password will prevent unauthorized access to your phone when it has been lost or stolen. Use different passwords for banking, email, etc. so that if your phone is stolen one password does not allow access to all of your information.
2. Go into your settings and set your phone so that it will go into a lock mode when it has set idle.
3. Do not modify your phone security settings. And, make sure that you accept the updates and patches from your phone or service providers. Your risk to cyber threats is reduced when you keep your operating system current.
4. Check the source before installing apps. Don't trust an app that pops up on your screen. Research if it is a legitimate app store to protect your phone from malware and viruses.
5. Educate yourself on whether your phone has a security app that enables you to remotely locate and erase the data stored on your phone when it has been lost or stolen. Keep this information in a safe location.
6. If you are using a public Wi-Fi network instead of your own data plan you are at an increased risk of your phone being hacked. The safest way to protect your phone on a public network is to use a virtual private network, VPN, which encrypts your activity. If you don't have a VPN, you should never use open public networks when accessing sites that contain your personal sensitive information. Also, make sure that your phone is not automatically accessing public networks. Instead control through your phone settings when your phone connects to a public network. And, be careful of thieves that falsely name their public networks and trick you into your connecting their network instead of the legitimate public network and gaining access to your phone.
7. If your phone is stolen, report the theft to local law enforcement and to your phone provider. The FCC along with the major wireless service providers has a stolen phone database. Major wireless service providers are notified that the phone is stolen and thereby the phone is prevented from being activated on another wireless network without your permission.

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Short Ribs Braised with Mushrooms and Tomatoes

Ingredients

- 1/2 cup dried porcini mushrooms
- 1/2 cup water
- 2 1/2 pounds beef short ribs
- salt and freshly ground black pepper to taste
- 2 tablespoons vegetable oil
- 1 onion, sliced
- 2 cloves garlic, minced
- 2 cups beef broth
- 1 cup tomato sauce
- 1 teaspoon dried rosemary
- 1/2 teaspoon salt
- 1 pinch cayenne pepper
- 1 bay leaf



Directions

- Combine mushrooms and water in a bowl; soak until mushrooms are rehydrated, about 30 minutes. Drain mushrooms and reserve liquid; dice mushrooms.
- Preheat oven to 325 degrees F (165 degrees C).
- Season short ribs all over with salt and black pepper.
- Heat vegetable oil in a skillet over medium-high heat. Cook short ribs in hot oil until browned on all sides, 7 to 12 minutes. Transfer ribs to a Dutch oven.
- Return skillet to heat and saute onion with a pinch of salt in hot pan until softened, about 3 minutes. Add garlic and saute until fragrant, about 1 minute more. Stir mushrooms into onion mixture.
- Pour reserved mushroom liquid into skillet and bring to a boil while scraping the browned bits of food off of the bottom of the pan with a wooden spoon. Stir beef broth, tomato sauce, rosemary, 1/2 teaspoon salt, cayenne pepper, and bay leaf into onion mixture.
- Pour tomato mixture over short ribs into Dutch oven and cover Dutch oven with a lid.
- Cook short ribs in the preheated oven until short ribs are fork-tender, about 2 hours.

Don't Forget that Bucket List!!

It is never too late to create a bucket list! We all have things we want to accomplish in this lifetime. Write them down, check them off. A bucket list will cause you to think about the things that add value to your life. It can give you purpose, focus and direction. Don't create an outrageous list that is unattainable but rather a list of goals and dreams that would enhance your life. Furthermore, a bucket list isn't set in stone. Add to it, change it and watch it morph just as our lives change. Keep it on your refrigerator to remind you every morning that you have goals and dreams waiting for you! ENJOY!!

Some examples below:

- Travel to Europe
- Learn to Knit
- Volunteer 5 hours a week
- Once a week, "pay it forward"; pay a kindness to a stranger
- Write a letter to each person you love
- Learn to Salsa
- Kiss a Blarney Stone

BUCKET list

Social Security Scams on the Rise

Rick Vernal

The IRS has issued a consumer alert recently about the increase in schemes where crooks pretend to be calling from the Social Security Administration. In fact, several government agencies are concerned about what they call “impostor” scams. The goal of these scams is to either scare people into revealing personal information or swindling them out of money. If identity thieves obtain your personal information, they can do a lot of financial harm. The scammers can apply for credit in your name, open utility or mobile phone accounts, or even get medical treatment using your health insurance.

In April, the Office of the Inspector General for the Social Security Administration issued a warning about people “spoofing” phone calls in which the caller-ID screen displays the agency’s toll-free fraud hotline. But it’s not the agency calling. In May, the OIG posted another advisory about scammer calls displaying the Social Security Advisory Board’s telephone number on the caller-ID.

To trick people to pick up the phone, crooks also spoof numbers with local area codes to hide their true location. It’s even possible that your neighbors will get a call with your number being used to make them answer. The Federal Trade Commission stated earlier this year that for the first time, scams where con artists pretend to represent a government agency topped its list of consumer complaints.

Here are some variations of the Social Security schemes.

— You get a robocall stating that there’s been criminal activity linked to your Social Security number. You’re told that if you don’t immediately call the telephone number left on your voice mail your Social Security number will be “suspended.” To “reactivate” it you are instructed to purchase gift cards as a form of payment. Then you are told to call back with the activation codes.

— When you answer your phone, there’s an automated recording claiming that your Social Security number has already been “suspended” or “blocked” because it has been linked to some “suspicious” activity. You may then be threatened with an arrest warrant or that the police will be sent to your home. To clear up the matter and unblock your number the swindler says to pay a fee either by wiring money, using a gift card, or loading cash on a prepaid debit card.

— In another version of the scheme, a person pretends to be from SSA and says you need to verify your Social Security number to clear up some other bogus issue. This time the mission is to just get your information.

Additionally, due to the increase of data breaches scammers may have enough of a person’s personal information to persuade him or her that the call is coming from a real government employee or agency.

So, whether it’s a call, text or email, the FTC and the SSA debunk the falsehoods you may hear in one of the Social Security impostor scams:

— Your Social Security number cannot be suspended, revoked, frozen or blocked. If anyone tells you that, hang up immediately.

— No government agencies — not the IRS, SSA or Medicare — will ask you to wire money, send cash, or buy gift cards as a form of payment. Never.

— SSA employees would never threaten to have you arrested or send the police to your home.

— You don’t have to verify your Social Security number to someone who makes an unsolicited call to you.

— The SSA may call you if you’ve working with the agency on some issue or claim. But just to make sure it’s truly the SSA calling you back, you can hang up and call SSA’s main number at (800) 772-1213.



Contributing to an IRA during Retirement: Pros and Cons

Dave Bove

Should you fund your retirement even after you retire? The idea may seem counterintuitive, but for retirees still working part time, continuing to seed a tax-deferred individual retirement account can ensure that they have enough money to enjoy retirement long into the future.

For working retirees who want to contribute to an IRA, the question becomes how much to contribute and to which type of IRA. Earned income means money from a job; investment income does not count. However, if you are retired and your spouse has earned income, he or she can contribute to their own IRA and also make what is called a spousal contribution to your IRA.

Keep in mind that once you begin taking required minimum distributions, or RMDs, from a traditional IRA at age 70 ½, you can no longer contribute to a traditional IRA. With Roth IRAs, there are no age restrictions for contributions.

The maximum you can contribute to a traditional or Roth IRA in 2019 is \$6,000. If you are 50 or over, you are allowed an additional contribution of \$1,000, for a maximum of \$7,000. You can make this contribution for the 2019 tax year up to the tax-filing deadline in mid-April 2020.

Pros and Cons

It doesn't make sense to invest in an IRA in retirement if you can't afford it. But if you can afford it, saving more money in tax-deferred accounts is beneficial, especially if you expect to live a long time.

Many retirees underestimate how much money they will need to get through retirement, especially with health care costs increasing. Contributing to an IRA in retirement can be a way to fund health care expenses, which have risen to \$10,348 per person in 2016, according to the Center for Medicare and Medicaid Services.

If you can to save the maximum amount between the ages of 65 and 70, you can accumulate a tidy sum.

Roth vs. Traditional IRA

Whether to use a Roth or a traditional IRA for those contributions depends on your tax situation. A Roth can be favorable because there is no RMD, so funds can continue to grow throughout retirement and can be used later in retirement or left to heirs in an estate.

When contributing to an IRA on a pretax basis, you get the benefit of an upfront tax deduction. Some advisers do not see the point of this strategy since the benefit is temporary. You are saving some dollars in taxes while still working but it will be taxed shortly when you begin taking distributions.



Closing Entries

ANNIVERSARIES

The following Dwight Darby & Company employment anniversaries will be occurring this fall:

Karen Sellars – 18 years in September

Margaret McDeed – 13 years in September

Rick Vernal – 3 years in October

Leslie Hamilton – 1 year in December



This newsletter is published for our clients and other interested persons. Since this information may be of a technical nature, no final decision should be made without first consulting our office.

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