

May 2020 Ponderings and Musings – All For Mom

“To describe my mother would be to write about a hurricane in its perfect power.
Or the climbing, falling colors of a rainbow.”

- Maya Angelou

“Motherhood is the biggest gamble in the world. It is the glorious life force.
It’s huge and scary – it’s an act of infinite optimism.”

- Gilda Radner

In Honor of Mother’s Day, VWG Welcomes Two Special Moms to Our Team!

Marnie Grinspoon - Marnie joined VWG Wealth Management in December 2019 as one of our Marketing & Client Services Coordinators, a position she shares with Susan Verfurth. Together, they lead our client liaison efforts, ensuring that our clients receive a high level of service. Marnie joins us after a stellar 18-year career as CEO of two active daughters, Lindsey (20) and Jessie (18). After graduating from the University of Rhode Island with a Bachelor of Arts degree in Sociology, Marnie joined Marriott International headquarters in the Risk Management Department where she worked for over ten years. While she stayed home with her children, she volunteered at the girls’ schools from preschool to high school, in addition to The Service Guild. While Marnie considered returning to the corporate workforce for many years, but postponed the decision until the nest was finally empty.



An avid fitness enthusiast, Marnie recently celebrated her 1,000th workout at Orangetheory. Much to the chagrin of her husband Jeff, the vast majority of these classes took place at 6:00 am! When she is not working out, Marnie is spending time with her family, hiking, reading, baking and traveling.

VWG is excited to officially welcome Marnie to our team. While it might still be some time before you meet her “in the office,” you’ve probably already seen her thoughtful touch on our social media.

Susan Verfurth - At VWG we believe you can really never have too many Verfurths around! Like Marnie, Susan joined VWG Wealth Management in December 2019 as one of our Marketing & Client Services Coordinators. Susan graduated from Saint Mary's College in South Bend, IN where she received a bachelor's degree in Nursing. Following school, she began her career as a Registered Nurse working primarily in the Neonatal Intensive Care Unit (NICU). During her time as a nurse, Susan worked in hospitals across the country as she and John moved frequently during his time



in the military as a Naval Flight Officer. As their family continued to grow, Susan decided it was time for career number two, working in the home. She raised five wonderful sons and a lot of her time was spent volunteering at her boys' school as President of the Parent Teacher Organization, chairing committees for the Boy Scouts of America and managing their many soccer teams.

With her boys older (now ages 21-32), Susan felt it was now time to return to the workforce. In her new role she focuses on VWG's client appreciation activities, firm marketing and office operations. Outside of the office, Susan enjoys exercising, traveling, cooking and spending time with her family and friends.

She is excited about her new "encore career" working alongside her husband John, her son Ryan, and the entire VWG Team!

In Memoriam

It is with great sadness that we announce the passing of Colonel Jan (Pete) Verfurth, John Verfurth's father. His charisma, guidance and loving attention to his family will be greatly missed. Pete spent 23 years in the Air Force, including a tour in Vietnam flying combat. Afterwards, he was a financial advisor with Dean Witter/Morgan Stanley for 20 years, leading to John taking over his business. Pete is survived by his wife Anne, three sons, two daughters and eleven grandchildren. Our thoughts and prayers are with the Verfurth family, and we wish them peace, courage and comfort.

Spring Cleaning – An Opportunity to Review and Organize Your Financial Records

With 'stay in place' orders and social distancing practices in place, spring cleaning has a whole different meaning this year. A few clients have recently told us that they've uncovered rarely-seen parts of out-of-the-way closets!

Despite the trials that the COVID-19 crisis presents, spring is a great time to clean out and spruce up. It takes some motivation, but the results are rejuvenating.

Don't overlook the 'Spring Cleaning' and review of your important financial records and documents. At the forefront of these should be an examination of your wills, trusts and estate planning documents. To assist in the process, VWG's Ona Bolton has provided some 'questions and keys' to help you decide if your estate planning documents need review or revision. Ona reminds us that "your will, trusts and estate plan should be reviewed at least every five years. This should also be performed when there is a change in law, finances or personal circumstances."

Here are some specifics that may apply to you and your estate planning. If you answer 'yes' to any of these, we recommend that you speak with us and work toward updating your documents.

- Changes in law – In 2018, the Tax Cuts and Jobs Act doubled the lifetime exemption amount to \$11.5M (in 2020). For many, and not just the very wealthy, this triggers the need for updating documents.
- Since lifetime exemptions will revert to 2017 levels in 2026, affected households should maximize strategies now. Could your estate be subject to taxes at 2017 levels?
- Have you recently married, divorced, or remarried?
- Have you changed your primary state of residence?
- Have you become a parent recently or had more children? It is important for you to name a guardian for your children.
- Do you have adult children who were minors when your wills and trusts were last updated?
- Has your child recently married?
- Have you recently become a grandparent?
- Have you lost a spouse?
- Have you had a change in your health?
- Has there been a change in your parent's health? If so, are you named beneficiary in their estate plan?
- Are you a business owner? Has your business experienced significant growth and increase in value? Are you contemplating a liquidity event?
- Have you made any changes to your planned retirement plan distributions and beneficiary designations due to the extended RMD age and the CARES Act, and does this affect how those plans are handed in your wills and trusts?
- Have you revised your thoughts about charitable donations, and ultimately charitable bequests from your estate?

Besides making sure that your financial assets pass as you wish, you should also ensure that you have durable power of attorney in place so that a trusted person can act as agent on your behalf in financial or legal matters if you are unable. Also revisit your health care proxy, which is a separate document that authorizes someone to make medical decisions on your behalf.

What to Keep and What to Shred

Integral to the Spring Cleaning of business records and documents is knowing which to save, and which can be disposed. This is essential to de-cluttering your life. It can also help prevent identity theft. Here's a link to the often-requested VWG's handy 2-page "record-keeping refresh" reference piece. Feel free to download this, and to pass an (electronic) copy to a friend. You may want to refrain from printing it out, as so much paper quickly becomes clutter destined for the recycling bin.

[\(link to VWG website piece\)](#)

VWG Tax Update Reminder

Due to the COVID-19 pandemic, many tax filing and payment deadlines have been extended. Make sure to double check with your state and CPA as some jurisdictions continue to change deadlines. Here is a summary of some relevant extension dates:

- IRS deadline for filings & payments extended to **July 15th, 2020**
- Maryland deadline for filings & payments extended to **July 15th, 2020**
- Washington, D.C. deadline for filings & payments extended to **July 15th, 2020**
- Virginia deadline for filing for payments extended to **June 1st, 2020**

The CARES Act Suspends 2020 Mandatory IRA Distributions, Adds 'Above the Line' Charitable Deduction

We're repeating this important note in case you missed this at our 1st Quarter Review [\(link\)](#).

The Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, includes several provisions related to retirement accounts. Many clients may be able to incorporate these into their personal retirement and tax planning for this year. These include:

- Required minimum distributions (RMDs) are suspended for 2020. This includes initial RMDs for those reaching age 72 (this was recently changed from age 70 ½), and for inherited IRAs.
- Penalty-free withdrawals from IRAs and defined contribution plans are allowed up to \$100,000 for adverse COVID-19-related financial hardship.
- Maximum loans from employer-sponsored retirement plans have been increased to the lower of \$100,000 or 100% of the vested account balance, as long as the reason for the loan is related to COVID-19.
- An 'Above the line' reduction in adjusted gross income up to \$300 per taxpayer (\$600 per married couple) will be allowed for those making contributions to public charities (not to a donor advised fund). This applies only to those taxpayers who take the standard deduction.

Please contact us to discuss how the CARES Act effects your personal financial plan and strategy.

Beware of Potential Taxable 529 Plan Distribution

Because of the COVID-19 outbreak, many universities and private secondary schools were closed this spring. In some cases, these schools have refunded a portion of tuition, room and board. If all of your child's school expenses were funded from a 529 plan distribution, such refunds could be recharacterized by the IRS as taxable distributions. If this situation applies to you, you can avoid this taxable event by one of two remedies. The easiest is to apply the distribution to this coming fall's school expenses. The second option (*and the only option*

if your child is graduating or not returning to school in the fall) is to refund this amount into the 529 account. This must be completed by July 15, 2020. Please speak to your advisor with any questions.

VWG Silver Linings

The coronavirus quarantine has forced us into making abrupt changes to our daily lives. Some of the routines and rituals we used to take for granted feel like a distant memory. However, per the old proverb, “for every dark cloud there is a silver lining.” Here are some of the unexpected blessings that the VWG team is experiencing thanks to the quarantine:

- Rashmi - Taking my dogs for more frequent walks, and spending more time outdoors.
- Suzanne - Enjoying more home cooked dinners, and spending more time with my pets Jasper and Wren.
- Ashley – Having extended time at home with my new baby Claire, and her brother Gavin.
- Lynette – Spending more time with our dogs. Our daily walks are now the highlight of my day!
- Michelle – Treasuring the company of my sister Rebecca, who has come to live with us and help watch Wes and Parker

- Kay - Taking bike rides, and spending more time with our 4-year-old daughter Lydia.
- Ona - Enjoying a break from chauffeuring my 5 girls to activities and friend’s houses.
- Ryan T. - Growing out my hair, and valuing working from home while my son Ryan is learning to walk.
- Justin - Missing the 90+ minutes daily commute, allowing me to spend more time with my family.
- Ryan V. - Teaching my grandparents technology, and how to connect with the family on Zoom.
- Marnie - Sleeping in (past 5:00 am) because the gym is closed.
- Susan - Learning to live with a dirty house, while greatly enjoying more time with my boys.
- Elana - Teaching my twins to cook, with the aim of having them plan and prepare some meals.
- Jeff – Perfecting the look of wearing matching button-down shirts with sweatpants.
- Patricia - Reconnecting with long-ago friends, and sharing lunch with my husband Lenny every day.
- John – Both good and bad - spending more time with my three youngest sons.
- Rick – Playing weekend pickleball with my wife Maria on her homemade driveway court.

We’re wishing everyone a joyous celebration of Moms and Spring! Although our offices are officially closed, we’re working hard to serve you and stay connected. As a result, we have created a new video series entitled VWG FAQs: Frequently Asked in Quarantine, to answer our clients most pressing questions and concerns. Please follow this link, and check back from time to time as we’ll be regularly adding content.

Take care and be safe!

Regards,

VWG Wealth Management
HighTower Advisors

Suzanne, Ashley, Lynette, Michelle, Rashmi, Kay, Ona, Justin, Ryan, Patricia, Elana, Susan, Marnie,

John, Rick and Jeff

[Who we are](#)

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