



This Publication Brought To You Courtesy Of:

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CLIENT BULLETIN

November 2019

➤ *New Employee*

We're excited to announce that a "new" employee has started work at Carter Financial – Heather Quintero. We say new in quotes because Heather previously worked at Carter Financial for two years before moving due to her husband's work and starting a family. She was a standout employee who we were sorry to see leave then and we are thrilled to have her back now. She has significant experience working at fiduciary wealth management firms in the Bay Area and will be a welcome addition to the team. You can reach Heather at our general office phone number above or by e-mail at heather@CarterFinancialLLC.com.

➤ *Housekeeping*

Just a reminder to please remove any e-mails you have for our office with the extension @lpl.com from your e-mail address book and exclusively use the @CarterFinancialLLC.com addresses.

➤ *Let Us Know if You've Been IRMAA'd*

Individuals with modified adjusted gross income of \$85,000 or more and married couples whose joint income exceeds \$170,000 pay a high-income surcharge on both their Medicare Part B premiums and Part D prescription drug plans. These surcharges, officially known as an Income Related Monthly Adjustment Amount, or IRMAA, are based on the last available income tax return, so 2020 premiums will be based on 2018 income. Medicare beneficiaries subject to IRMAA surcharges receive notifications, usually in November, regarding their Medicare costs for the following year. If you receive this notification, please send it along to us so we can determine if there are any steps we can take to alleviate the increase.

➤ *More Than Just Wages*

When a business hires an employee, the cost is more than just their salary. The Bureau of Labor Statistics reports that for every \$1 spent for wages and salaries in the private sector, employers spend an additional 46 cents on benefits.

➤ *To Your Health*

A large part of the 46 cents is made up of employer-provided healthcare. The average total cost of employer-provided health coverage rose to \$20,576 for a family plan this year. That's like buying an economy car every year (source: Kaiser Foundation).

➤ *Labor Market Strength*

October's employment report showed how strong the labor market is right now. The unemployment rate fell to 3.5%, the lowest rate in **50 years**. The low jobless rates were broad based - the Hispanic unemployment rate fell to 3.9% while the African American unemployment rate remained at 5.5% - both record lows. Workers over age 25 who lack a high school degree have an unemployment rate of 4.8%. Just 9 years ago, the jobless rate for this group was more than three times higher at 15.8%. Times won't always be this good, but for now let's celebrate that there are very few people who want a job and can't find one (source: Bureau of Labor Statistics).

➤ *More Strength*

During the heart of the recession in July of 2009 there were **2.264 million job openings** in America. As of August 2019, there are **7.051 million job openings**. That increase is equivalent to 95,740 new available jobs in each of the 50 states (source: Department of Labor).

➤ *Data Security*

October is National Cybersecurity Awareness Month so we thought we would give you some updates on the protections that Carter Financial, LLC has in place to protect precious client data. Of course, our IT firm has strong firewalls and constantly updated virus protection, but they also go so far as to send out "test" phishing e-mails to employees to make sure they aren't clicking on fraudulent e-mails. There are also some slightly annoying measures we take such as calling on the phone to verify certain requests for distributions of funds; multi-factor authorization for account changes and secure e-mails, but these days a little inconvenience is worth the protection.

➤ *Those %*^!& Passwords*

Sticking with the security theme, we are all vexed by the need to keep track of passwords for the various websites we access. After all, the average person has 23 online accounts. Is it that important to use strong passwords (a combination of letters interspersed with numbers, capitals and symbols)? You bet. 81% of hacking related data breaches leverage weak passwords. According to Scientific American it takes a hacker **62 trillion times** longer to crack a strong password versus a weak one that contains just six lowercase letters.

➤ *Mind Blowing*

One of the hardest concepts for the human mind to grasp is the power of exponential growth. This includes Moore's law, which back in 1971 said that the power of microchips would double every two years. It's difficult for most of us to relate to the power of today's microprocessors versus those of 50 years ago - telling me that Intel's latest generation microchip offers 3,500 times more performance with 90,000 times more energy efficiency at 60,000 times lower cost than the first generation chip from 1971 leaves me flat. Applying exponential growth to an automobile is much more understandable. For example, if Moore's law was applied to a 1971 Volkswagen Beetle, today's Beetle would go 300,000 miles an hour; it would get 2,000,000 miles per gallon of gas (one tank would last your entire life!) and it would cost four cents. Whatever technological advancements we think we can see coming in the future, we are probably not optimistic enough.

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