



## Breaking down the details

**Daniel M. Huffman, CFP<sup>®</sup>, Managing Director – Investment Officer**

Statistics don't lie – but they can misinform. Such is the case of the Standard & Poor's 500 Index. Most people do not realize that the S&P 500 Index is a capitalization-weighted index. This means that larger companies hold a greater weight (or influence) in the quoted results at any given time.



For instance, one company is a prominent member of this index and while it is just one of the five hundred stocks in the index it carries 30 times the weighted influence than, say, a smaller weighted company. However, when it comes to building stock portfolios, most investors (or advisors) would never even consider overweighting a company to such levels. It is entirely unrealistic. Yet, such is the world of index performance analytics.

The other quirk is that companies are continually being added or eliminated from the index. In fact, just since December 2013, the S&P 500 Index as reported with all the additions and subtractions of companies rose 7 percent through March 1, 2016. But the delisted stocks fell 41.6 percent during that time period.

The harsh reality is this: since June 2015, if you removed Facebook, Amazon, Netflix and Google (known as the FANG stocks) from the S&P 500, the remaining 496 stock index has declined by 21.7 percent – classically defined as a bear market.

The positive view is that such retreats in the marketplace place create some value opportunities that cautious investors search for – preferring to purchase good companies at reasonable discounts rather than paying exorbitant prices for a few popular ideas.

### Recent and upcoming events

- **Saturday, January 23, 2016**

*Men Who Cook*

Managing Director – Investments James Mayer and Financial Consultants Phil Anderson and Ryan Richards competed in the 10th annual *Men Who Cook* competition to benefit Catholic Charities of Ashtabula County. Wondering who won? Read on...

- **May 7, 2016**

**Grand River Academy Gala**

Last year, we were the signature sponsor for this evening of philanthropy for the Grand River Academy's Blue & White Fund. We will once again be attending the event to aid in the funding of scholarships, facility maintenance and faculty development.

- **May 21, 2016**

**Shred it and Forget it Saturday**

We are offering clients the opportunity to clear out old papers and help protect against identity theft with complimentary shredding, coffee and pastries. See more details inside.

# James Mayer among top financial advisors attending *Barron's* Summit

James E. Mayer, Jr., Managing Director – Investments, recently attended the annual *Barron's* Top Advisory Teams Summit in Las Vegas. Hosted by *Barron's* magazine, the conference is an invitation-only forum that allows advisors in the top one-percent of the industry to exchange ideas and best practices with an eye towards serving the investing public in the best possible manner.

Also attending the Summit was Senior Client Associate Donna Hassett and Senior Registered Client Associate Margaret Gilliland. The team attended workshops designed to promote best practices and generate new ideas across the industry.



L-R: James Mayer and Sterling Shea, Managing Director and Head of Advisor Programs at *Barron's*



“Because the Summit brings together key leaders and top decision makers from around the country, it is recognized by the financial advisor community as the industry’s leading event,” said Ed Finn, editor and president of *Barron's*. “The ideas and discussions generated here equip the attendees to provide the best investment and financial advice to their clients, which is vital given the challenging economic and market conditions of today.”

L-R: Senior Client Associate Donna Hassett, Senior Registered Client Associate Margie Gilliland and Managing Director – Investment Officer James Mayer

# Wells Fargo Advisors recognizes Dan Huffman and James Mayer



Dan Huffman



James Mayer

Managing Director – Investment Officer Dan Huffman and Managing Director – Investments James Mayer have again earned the distinction of Premier Advisor with Wells Fargo Advisors. James has also been recognized as a Premier Manager.

Dan and James are among a select group of financial advisors who meet or exceed Wells Fargo Advisors’ high standards as measured by one or more of the firms’ criteria for revenue generation, educational attainment and client-service best practices. The Premier Manager designation earned by James reflects a superior level of professional achievement and a steadfast commitment to achieving business objectives.

## Join us for Shred it and Forget it Saturday!

On Saturday, May 21 from 9 a.m. to 12 noon, we are holding our annual Shred it and Forget it event to provide clients the opportunity to clear out papers and help protect against identity theft with access to a complimentary shredding service. Come join us for coffee, pastries and the opportunity to have your documents destroyed securely.

The Huffman-Mayer Wealth Management Group is a proud supporter of Country Neighbor Recreation Center and associated food pantries. At this event, we invite our clients to make a donation to Country Neighbor. All donations collected at our office will benefit food pantry services located in Ashtabula County.

This year, we are working together with Leadership Ashtabula to make this service available to more Ashtabula County residents. Members of Leadership Ashtabula are welcome to join us!

### Shred it and Forget it Saturday

**When:**

**May 21, 2016 from 9 a.m. to 12 noon**

**Where:**

**Wells Fargo Advisors**  
3705 State Road, Ashtabula, Ohio



## Ryan Richards and team cook their way to recognition

In January, James Mayer and Financial Consultants Phil Anderson and Ryan Richards participated in the 10th annual *Men Who Cook* competition at Our Lady of Peace Community Center. Ryan and his team members Tim Viands and Chef Jay of the

Grand River Academy won the Best Presentation Award for pork spring rolls with sweet spicy pear sauce and Brussel sprout and jicama slaw.

In the first nine years of the event, \$140,000 has been raised for the Basic Needs Assistance program, which helps area residents in need of rent, utilities, food or other necessities of life. Turnout for this year's event came close to setting a record for the number of tickets sold with nearly 400 attendees.



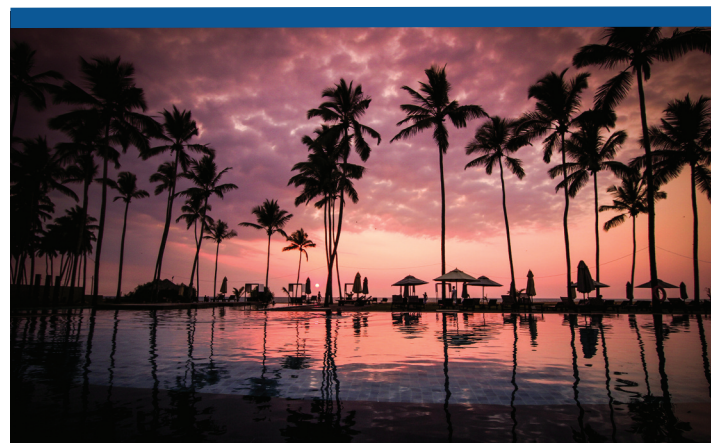
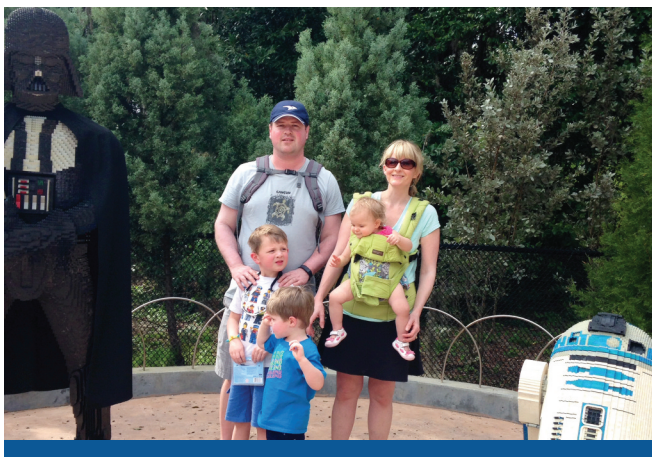
## Client Associates receive promotions

Margaret Gilliland and Donna Hassett have both been named Assistant Vice Presidents by Wells Fargo Advisors as of April 1, 2016, an indication of the respect for the contributions both have made on behalf of the firm and its clients.

“Working with Margie and Donna, I appreciate their disciplined approach and keen eye for details. Most importantly, they both have a dedication to the clients of our practice and a commitment to making each client experience a positive one,” said James Mayer. “Their new designations are well deserved.”

## Anderson family visits the Sunshine State

In early March, Financial Consultant Phil Anderson and his family visited the Orlando area, taking in sights such as Disney World and LegoLand.



## Donna Hassett and family enjoy Puerto Rico

Donna Hassett, her husband Tony and daughters Lexi and Leah, headed south in March to the magical island of Puerto Rico. They joined extended family members for her nephew's wedding. After enjoying a traditional Puerto Rican celebration, they took advantage of the beautiful weather that went with it.

# College Tuition Anxiety?

## *Get schooled on financial aid – whatever your income level*

**D**id you know that in the 2013-2014 academic year, more than \$238.3 billion in financial aid (grants, federal loans, federal work-study, and federal tax credits and deductions) was awarded to undergraduate and graduate students? And that those students came from households spanning a wide range of household incomes?

During that same academic year, the average amount of aid for a full-time college student was \$14,180, including \$8,080 in grants (that don't have to be repaid) and \$4,840 in federal loans.\*

Once you realize how many resources may be available and begin your research on financial assistance, you may be on your way toward easing some of the anxiety often associated with paying for college.

## *Five lessons on seeking financial help for college costs*

Start planning during the high school years. Pay particular attention to your child's junior year of high school, and reposition assets or adjust income before that year begins. When financial aid officers review a family's need, they analyze the family's income in the calendar year beginning in January of the student's junior year of high school.

Assume you're eligible for aid...until you're told you're not. There are no specific guidelines or rules of thumb that can accurately predict the aid you and your child may be offered. Because each family's circumstances are different, keep an open mind as you consider financial aid alternatives. A number of factors—such as having several children in school at the same time—may increase your eligibility for assistance.

Reassess assets held by your children. Federal guidelines expect children to contribute 20 percent of their savings toward their education's costs, while parents are expected to contribute up to 5.64 percent. That's why assets held in custodial accounts in your children's names (bank accounts, trust funds, brokerage accounts) may reduce the aid for which the family qualifies.

But assets held in Coverdell Education Savings Accounts (ESAs with income limitations) and 529 plans (operated by states and educational institutions) will be factored into the parent's formula, having less effect on the aid for which the family qualifies.

Help grandparents' target their gifts. Grandparents' hearts often lead them to make gifts directly to grandchildren or pay their tuition expenses. Even though payments made directly to a college avoid gift taxes, financial aid sources generally count these payments as an additional resource the family has to pay for college expenses. Distributions from grandparent-owned 529 plans are also considered as resources and assessed as your child's income, which reduces the amount of eligible aid.

A better idea for grandparents may be to consider making a gift to a 529 plan owned by the parent or grandchild. The financial aid treatment of gifts to 529 plans is generally more favorable than for gifts made directly to the grandchild. Plus grandparents may also realize estate tax and gift benefits by using this alternative.

Assess your family's financial situation to determine what your children will need. Gather records and begin researching available financial aid, grants, loans and scholarships. Two forms will be key to your aid application process: the Free Application for Federal Student Aid (FAFSA) and the College Scholarship Service Financial Aid Profile (PROFILE). The FAFSA form helps you apply for federal aid, and many states also use it to determine a resident student's eligibility for state aid. You can find forms in high-school guidance offices and college financial-aid offices or online.\*\*

\*Trends in Student Aid 2013, collegeboard.org

\*\*fafsa.gov

Please consider the investment objectives, risks, charges and expenses carefully before investing in a 529 savings plan. The official statement, which contains this and other information, can be obtained by calling your Financial Advisor. Read it carefully before you invest.

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