

# Cameron Gartley Joins Our Personal Insurance Team



Cameron  
Gartley

Cameron Gartley of Rockport has joined the personal insurance division of Allen Insurance and Financial.

A native of Rockport, Gartley is a graduate of Camden Hills Regional High School and the University of Maine with a degree in psychology. Previously he was employed by Camden National Bank.

He joined Allen Insurance and Financial in February and after participating in Allen's in-house education program, received his property & casualty license a month later. He is based in Camden.

Outside of work, Gartley enjoys being on the water in Maine and playing sports of all kinds. During the fall and winter, he coaches middle school basketball.

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## Three New Licensees



Amanda Heal



Courtney  
Leonard



Samantha  
Runius

Allen Insurance and Financial is pleased to announce that Amanda Heal, Courtney Leonard and Samantha Runius have obtained a license to sell property and casualty insurance in the state of Maine.

Amanda Heal is a receptionist in the company's Rockland office. She joined Allen in 2015.

Courtney Leonard is a scanning associate in the company's Camden office. She joined Allen Insurance and Financial in 2015.

Samantha Runius is a business insurance processor in the company's Camden office. She joined Allen Insurance and Financial in 2008.

The state-issued study guide for insurance licensing is 400+ pages. The state exams are comprised of 150 questions drawn from a pool of 2,400 questions on a complete range of subject areas, including business and personal insurance, workers' compensation, maritime insurance and Maine insurance law.

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## The Value of an Independent

# Insurance Agent

By Rachel Bannister

Independent insurance agents remain vitally important to the industry because of the professional insurance counsel they provide and the relationships they cultivate with consumers and in the communities where they live and work.

In addition to explaining all of the nuts and bolts of insurance protection, independent agents cultivate relationships with their clients and work to become trusted advocates for them. Although consumers often feel that it is essential to have a doctor they know and a banker or financial advisor they trust, they sometimes overlook the need for developing a similar relationship with their insurance agent.

As author and motivational speaker Bob Burg says, "All things equal, people will do business with, and refer business to, people they know, trust and like."

A relationship with an independent agent is equally as important in helping clients protect their families and property should an unfortunate event happen. Independent agents do more than sell insurance; they help identify exposures, find the insurance carriers that offer the needed coverage at the best premiums, and manage all policies to be sure they are working together for maximum protection.

Although it is true that some insurance coverages can be purchased at the click of a button and consumers can decide to go it alone, there is no substitute for the expertise that comes from choosing to work with an independent agent. In working with a variety of carriers, independent agents are well trained and equipped to handle the unique situations that arise over time and can review coverages to make sure that consumers' needs are being met as their lives change.

In addition, it should not be forgotten that local independent agents are often among the first people to respond when there is

a loss, working to provide prompt service and to handle all aspects of a claim with insureds. That kind of experience is far superior to going it alone.

Nearly every independent insurance agency is involved in their community. Interests may vary from taking part in organizations such as the local chamber of commerce or networking groups to having a seat on hospital and school boards to being actively involved in the local culture and arts scene to coaching or sponsoring sports teams or volunteering at soup kitchens and homeless shelters.

No matter the vehicle, independent insurance agents are contributing members of their communities. Independent agents care about the area in which they serve and give of their time and resources to support them. Just listen to agents talk about their city or town and you will know that the people in it are important to them, and their work is more fulfilling than simply providing a paycheck.

Above all, insurance is a relationship business. The independent agent will continue to work with insurance carriers to innovate and become more efficient, all the while embracing long-standing community partnerships and creating new ones – all to the benefit of their customers and communities.

*Rachel Bannister, CPCU, CIC, AIS, API, AIM, is marketing supervisor at Patrons Oxford Insurance Company in Auburn.*

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## **Questions to Ask When You**

# Inherit a Home

Buying a home is one of the most stressful experiences and biggest financial commitments of many people's lives. But inheriting a home from a parent or relative can be equally stressful and complex in ways you may not anticipate. As you cope with a loved one's death and all the emotions it stirs up, you'll need to decide whether you should sell the home, live in it, or rent it out.

Unfortunately, inheriting a house isn't always a financial gain. The good news is that you can avoid many potential pitfalls by asking the right questions. Here are some key factors to consider before you make any decisions about the house you've inherited.

## **Is there a mortgage on the property?**

If so, will the estate assets be used to cover it? If there aren't enough assets to pay off the mortgage, or if the other heirs don't agree to do so, you can take on the deceased's mortgage in order to keep the house—as long as you have the means and desire to assume the debt. In this case, you'll want to consider refinancing to see if you can get a better rate or lower monthly payment.

If the house is "underwater" (i.e., the home's current value is less than what is owed on the mortgage), you may decide to walk away from the property and let it go into foreclosure. Of course, before making any decision, you should seek the guidance of an estate attorney.

## **Would it make sense to keep the home?**

Although selling a family home can be a painful process, it's important not to let nostalgia jeopardize your financial well-being. Even if you're able to manage the mortgage, does the home have any other value to you? Ask yourself these questions:

- Is it a property you're going to use, either for vacations

or to live in yourself?

- Do you have the time and money to handle the maintenance and upkeep the house will require?
- If you plan to use it for rental income, would renovations be needed? Would you be willing to hire a property manager (if you can't manage the rental yourself)?

### **What does the local real estate market look like?**

If you're thinking of selling or renting the home, do your due diligence on the local market. A knowledgeable real estate agent can advise you about the options in your area, discuss comparable properties and what they've sold or rented for, and help you determine if any renovations would be worth the time and money. (Real estate laws differ from state to state, so it's important to work with a professional licensed in the state where the property is located.)

If you plan to sell, keep in mind that high-end finishes and other upgrades won't necessarily get you your money back if the neighborhood isn't made up of similarly designed homes. Rather than investing in renovations, listing the house "as is" for a lower price may result in a quicker sale.

### **What are the potential implications for your taxes?**

Upon inheriting the house, you will receive a stepped-up cost basis: the property's fair market value at the date of the former owner's death.

- **If you decide to sell**, this means that, even if the home has appreciated significantly since your loved one purchased it, you'll only pay long-term capital gains on the sale price over that stepped-up basis.
- **If you decide to live in the house**, you may face higher property taxes due to the step-up in cost basis. On the other hand, if you eventually sell, you can avoid capital gains if you reside there for at least two of the past five years.

- **If you decide to rent out the house**, you can deduct certain improvements and the depreciation of the house itself against your taxable rental income. Just keep in mind that you'll have to reimburse the IRS for that depreciation if you eventually sell.

### **What do your professional advisors say?**

Working with professionals who have experience navigating these situations is key to a successful outcome. In addition to your financial advisor, you may benefit from enlisting the services of qualified estate and tax attorneys, as well as a real estate agent. Although dealing with inherited real estate is seldom simple, having an experienced team on your side will help smooth the process, no matter what you decide to do with the property.

*This material has been provided for general informational purposes only and does not constitute either tax or legal advice. Although we go to great lengths to make sure our information is accurate and useful, we recommend you consult a tax preparer, professional tax advisor, or lawyer.*

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## **Do You Need Travel Insurance?**

There are many travel insurance products on the market. Making sure you pay only for the coverage you need can be a challenge. That's where an independent insurance agent comes in.

Travel insurance can cover:

- Trip cancellation or disruption as the result of illness or death, a crisis at work, financial default on the part of a at your operator or other unexpected events

- Medical treatment not covered by your existing insurance
- Getting home after a medical emergency, earthquake, tsunami or other environmental event or political upheaval

Generally, there are three types of insurance plans to cover these events. They are:

- Standalone evacuation plans
- Standalone medical insurance plans (including evacuation)
- A more comprehensive plan including trip cancellation and interruption coverage and medical and evacuation coverage

Among the many factors to consider:

- The coverage level your health insurance plan provides, for both emergency and non-emergency care outside the U.S.
- The likelihood you would have to cancel your trip because of an illness (you, your travel companion or close relative)
- The level of non-refundable costs involved with your trip

[Read more now.](#)

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## **Allen Named MITC's Service Provider of the Year**

The Portland-based Maine International Trade Center has announced the winners of the 2016 International Trade and Investment Awards, which will officially be presented on May 26 – Maine International Trade Day. Allen Insurance and Financial was named Service Provider of the Year.

“It is an honor to be recognized by MITC as Service Provider of the Year. This recognition comes at a special time in our company's history – this is our 150th year in business,” said Mike Pierce, the president of Allen Insurance and Financial.



“Our success is firmly rooted in the character and strength of the individuals, families and businesses we’ve had the privilege of working with over the generations.”

Other award winners were: Kepware Technologies, Exporter of the Year; Mt. Blue Campus, Innovator of the Year; Eimskip, Foreign Direct Investor of the Year.

Also, Adrian Kendall, honorary consul of the Federal Republic of Germany for Maine and New Hampshire and attorney at Norman Hanson & DeTroy LLC, will receive the President’s Award. Former MITC intern Joe Long will receive the Future Global Leader Award in recognition of his term as a research assistant.

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## **Michael Pierce Recognized as a Leading Financial Advisor by Commonwealth Financial Network® in 2016**

✖ Michael Pierce, an independent financial advisor affiliated with Commonwealth Financial Network® and president of Allen Insurance and Financial in Camden, has achieved Commonwealth Leaders status for 2016. This distinction recognizes successful financial advisors based on a ranking of annual production among Commonwealth’s network of more than 1,650 financial advisors. Commonwealth is the nation’s largest privately held independent broker/dealer–RIA.

Wayne Bloom, CEO of Commonwealth, said, “We are pleased to recognize Mike with this exclusive distinction. Achieving Leaders status speaks to his track record of success and

commitment to his practice and the clients he serves. As a well-respected advisor within the independent advice industry and an esteemed member of the Commonwealth community, we look forward to Mike's participation."

#### About Allen Insurance and Financial

Allen Insurance and Financial has been providing individuals and organizations with insurance services and financial guidance since 1866. Located at 31 Chestnut St., Camden, Maine, 04843, the advisors of Allen Insurance and Financial pride themselves on crafting unique strategies for each client. For more information, please visit [www.allenif.com](http://www.allenif.com). Securities and Advisory Services offered through Commonwealth Financial Network®, Member FINRA, SIPC, a Registered Investment Adviser. Fixed Insurance products and services offered through Allen Insurance and Financial or CES Insurance Agency.

#### About Commonwealth Financial Network

Founded in 1979, Commonwealth Financial Network, member FINRA/SIPC, is the nation's largest privately held independent broker/dealer–RIA, with headquarters in Waltham, Mass., and San Diego, Calif. The firm supports more than 1,650 independent advisors nationwide in serving their clients as registered representatives, investment adviser representatives, and registered investment advisers, as well as through hybrid service models. For more information, please visit [www.commonwealth.com](http://www.commonwealth.com).

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## Supporting the Waldo County

# YMCA

Allen Insurance and Financial is a sponsor of the 2016 Canoe Races put on by the Waldo County YMCA. These are the 37th annual St. George Canoe Race, which was March 26 and the 43rd annual Passagassawakeag River Race, set for Saturday, April 2.

In this photo, Allen Insurance and Financial's Karen Reed, center, poses with Dale Cross and Karen Varney of the Waldo County YMCA.



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## We're Proud to Present Mario Vittone Speaking at Fundraiser for Maine Maritime Academy

✖ A life at sea and in maritime safety will be the topic of a special presentation by Mario Vittone, a former U.S. Coast Guard rescue swimmer and marine safety expert, Thursday, May 5 at 7 p.m. at The Strand Theater in Rockland.

The event, "You Love the Ocean – It Doesn't Love You Back: Thrilling stories and exciting tales designed to make your life on the water safe and survivable" is a fundraiser for scholarships at Maine Maritime Academy. Tickets are available at the Strand Theater box office or online at [RocklandStrand.com](http://RocklandStrand.com).

Mario Vittone is a leading expert on immersion hypothermia, drowning, sea survival, and safety at sea. His writing has appeared in Yachting Magazine, SaltWater Sportsman, MotorBoating Magazine, Lifelines, On-Scene, and Reader's Digest. He has

developed courses for municipal rescue teams and the military on search and rescue tactics and open ocean survival. In 2007, he was named as the Coast Guard Active Duty Enlisted Person of the Year and was named as the 2009 recipient of the Alex Haley Award for Journalism.

“Given our long connection with marine businesses and our agency’s deep roots on Maine’s working waterfront, this event is a natural fit for our 150th year in business,” said Mike Pierce, president of Allen Insurance and Financial. “This event will be of interest to anyone with a professional or recreational interest in the sea, or a passion for the ocean.”

Allen Insurance and Financial is pleased to be working with Ocean Navigator Magazine, Professional Mariner Magazine and Maine Boats Homes & Harbors magazine as partners in this event.

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## **There’s Still Time to Contribute to an IRA for 2015**

There’s still time to make a regular IRA contribution for 2015! You have until your tax return due date (not including extensions) to contribute up to \$5,500 for 2015 (\$6,500 if you were age 50 by December 31, 2015). For most taxpayers, the contribution deadline for 2015 is April 18, 2016 (April 19, 2016, if you live in Maine or Massachusetts).

You can contribute to a traditional IRA, a Roth IRA, or both as long as your total contributions don’t exceed the annual limit (or, if less, 100% of your earned income). You may also be able to contribute to an IRA for your spouse for 2015, even if your spouse didn’t have any 2015 income.

## Traditional IRA

You can contribute to a traditional IRA for 2015, if you had taxable compensation and you were not age 70½ by December 31, 2015. However, if you or your spouse was covered by an employer-sponsored retirement plan in 2015, then your ability to deduct your contributions may be limited or eliminated depending on your filing status and your modified adjusted gross income (MAGI) (see table below). Even if you can't deduct your traditional IRA contribution, you can always make non-deductible (after-tax) contributions to a traditional IRA regardless of your income level. However, in most cases, if you're eligible, you'll be better off contributing to a Roth IRA instead of making non-deductible contributions to a traditional IRA.

## Roth IRA

You can contribute to a Roth IRA, if your MAGI is within certain dollar limits (even if you're 70½ or older). For 2015, if you file your federal tax return as single or head of household, you can make a full Roth contribution, if your income is \$116,000 or less. Your maximum contribution is phased out if your income is between \$116,000 and \$131,000, and you can't contribute at all if your income is \$131,000 or more. Similarly, if you're married and file a joint federal tax return, you can make a full Roth contribution, if your income is \$183,000 or less. Your contribution is phased out, if your income is between \$183,000 and \$193,000, and you can't contribute at all, if your income is \$193,000 or more. And, if you're married filing separately, your contribution phases out with any income over \$0 and you can't contribute at all, if your income is \$10,000 or more.

Even if you can't make an annual contribution to a Roth IRA because of the income limits, there's an easy workaround. If you haven't yet reached age 70½, you can simply make a non-deductible contribution to a traditional IRA and then

immediately convert that traditional IRA to a Roth IRA. Keep in mind, however, that you'll need to aggregate all traditional IRAs and SEP/SIMPLE IRAs that you own—other than IRAs you've inherited—when you calculate the taxable portion of your conversion. (This is sometimes called a “back-door” Roth IRA.) Finally, keep in mind that, if you make a contribution to a Roth IRA for 2015—no matter how small—by your tax return due date and this is your first Roth IRA contribution, your five-year holding period for identifying qualified distributions from all your Roth IRAs (other than inherited accounts) will start on January 1, 2015.

<b>2015 income phase-out ranges for determining deductibility of traditional IRA contributions:</b>		
1. Covered by an employer-sponsored plan and filing as:	Your IRA deduction is reduced if your MAGI is:	Your IRA deduction is eliminated if your MAGI is:
Single/Head of household	\$61,000 to \$71,000	\$71,000 or more
Married filing jointly	\$98,000 to \$118,000	\$118,000 or more
Married filing separately	\$0 to \$10,000	\$10,000 or more
2. Not covered by an employer-sponsored retirement plan, but filing joint return with a spouse who is covered by a plan	\$183,000 to \$193,000	\$193,000 or more

Founded in 1866 and celebrating 150 years in business in 2016, Allen Insurance and Financial is an employee-owned insurance, benefits and financial services company with offices in Rockland, Camden, Belfast and Southwest Harbor. For more information call 236-4311, or visit [AllenIF.com](http://AllenIF.com)

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