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MEMBER



Special needs require special lawyers.

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OAST & HOOK'S SHRED DAY

One excellent way to help protect your personal information from falling into the wrong hands is to shred unneeded documents. Oast & Hook has partnered with Stealth Shredding to provide free document shredding from 9:00 a.m. to noon, Saturday, May 7th to all of Oast & Hook's clients and friends. The event will take place at Oast & Hook's Harbour View office, and all shredded paper will be recycled. Just show up with your old records, and Oast & Hook will gladly assist you. Come meet Oast & Hook's attorneys and staff, and enjoy free parking, hot coffee, and snacks.

Although this shredding service is free, Oast & Hook encourages donations to the 2011 Suffolk Rockin' Relay for Life that will take place on May 13th at the Bennett's Creek Park, 1000 Bennett's Creek Park Road, Suffolk, Virginia 23435. For more information or to make an online donation, please visit www.relayforlife.org.



INTEREST RATES AND RETIREMENT

A recent *Wall Street Journal* article discusses the dilemma many retirees face because of current interest rates. The Federal Reserve has been keeping interest rates low in order to stimulate the economy. This has created benefits for banks, mortgage borrowers, and others, but it has created problems for millions of savers. Retirees are the most vulnerable because they do not have many options to restore lost income on the investments they have made over their lifetimes.

According to data from the U. S. Department of Labor, in 2009 the average investment income for the 24.6 million households headed by people age 65 years and above was \$2,564. This was down 34% from 2007. According to the Employee Benefit Research Institute, one in three retirees had used more of their savings than planned to pay for basic expenses last year. The average interest rate paid on relatively safe investments, including savings accounts, certificates of deposit, and money market accounts is 0.24% as of January 2011. This is the lowest level on record since 1959. These rates do not compensate for inflation, which was running at a 5.6% annualized rate for the three months ending in February 2011.

Richard Fischer, president of the Federal Reserve Bank of Dallas says, “Americans who have done everything right, have worked hard, saved their money and stayed out of debt are the ones being punished by low interest rates. That state of affairs is not sustainable for a long period of time.” The results of the pain inflicted on savers could have political repercussions because retirees are among the country’s most active voters.

Low interest rates also penalize people of any age who are trying to build up funds for their future. These rates also discourage people from saving for emergencies such as job losses and other financial issues. According to the Federal Reserve, Americans’ net contributions to their bank and retirement accounts amounted to 4% of disposable income in 2010, the lowest level since the Federal Reserve started maintaining records in 1964, with the exception of 2009 when people pulled money out of savings and retirement accounts.

Some retirees are maintaining more of their assets in equities, hoping to benefit from increases in the stock market and to avoid running out of money. This goes against the traditional advice of some financial planners, who recommend that retirees keep more of their assets in relatively safe, fixed income investments. Neil Kasanofsky, a financial adviser in Port Charlotte, Florida, says, “The fear is palpable at this point in their lives. Given the low level of interest rates, you’re hard-pressed to tell someone to get into bonds or ten-year CDs.” Some people are in even more trouble because they took out mortgages or ran up credit card debt, and now they do not have the interest income from their investments to help pay off these debts. In the meantime, many seniors have cut back on expenses as much as they can so that they do not outlive their money. Time will tell how each of these strategies will play out.

The attorneys at Oast & Hook can assist clients with their estate, financial, insurance, long-term care, veterans' benefits and special needs planning issues.

Ask Allie

O&H: Allie, now that spring is finally here, do you have some tips on protecting pets from mosquitoes, fleas and ticks?

Allie: Sure! First, Jane Brunt, D.V.M., of the Cat Hospital at Towson, in Baltimore, Maryland, says that pet families should consult their veterinarians about the products that suit their individual pet's lifestyle and preferences. These products may include topical products that are applied to the pet's skin. Keeping pets indoors is not good enough. "Mosquitoes can come into our houses. Flea eggs are brought in on our feet," says Michael Paul, D.V.M., executive director of the Companion Animal Parasite Council. Ticks can be brought in by another pet or family member. He also says that not only do veterinarians need to better inform pet families about parasite threats, but also pet families need to follow their veterinarians' instructions. Mosquitoes can carry heartworm, fleas can cause allergic reactions as well as transmit other illnesses, and ticks can transmit several diseases. For cats, it is better to prevent heartworm infection, because there is no good treatment for heartworm infection in cats. Families end up trying to manage the resultant lung disease. For fleas, it is important to use the correct product for cats or dogs, and you also need to treat the home environment. Cats are more sensitive than dogs to flea and tick insecticides, particularly topical compounds. You should examine your pets regularly for ticks and promptly remove them. Wow, that's a lot of information for our pet families. I know my mom talks about all of these issues with our veterinarian, and I hope our readers do the same. Time for a nap. See you next week!

Announcement

Oast & Hook will hold its quarterly Social Workers and Administrators Breakfast on Wednesday, May 4th, at the Virginia Beach Central Library, 4100 Virginia Beach Boulevard, Virginia Beach, Virginia 23452. The topic is "Powers of Attorney and Surrogate Decision Making." Registration begins at 9:00 a.m., and the presentation begins at 9:30 a.m. Questions will be answered from 11:00 a.m. to 11:30 a.m. The breakfast is designed to be an educational opportunity for area professionals who work with seniors, the disabled, and their families. Seats are limited, so please register early for this breakfast by phoning Jennie Dell at 757-967-9702 or e-mailing her at dell@oasthook.com.

Distribution of This Newsletter

Oast & Hook encourages you to share this newsletter with anyone who is interested in issues pertaining to the elderly, the disabled, and their advocates. The information in this newsletter may be copied and distributed, without charge and without permission, but with appropriate citation to Oast & Hook, P.C. If you are interested in a free subscription to the *Oast & Hook News*, then please e-mail us at mail@oasthook.com, telephone us at 757-399-7506, or fax us at 757-397-1267.

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