



## WELCOME BRYAN AS AN EQUITY PARTNER



GEN Financial is very proud to announce that as of May 1, 2019, Bryan Vancura is a partner in the firm! His new title is Vice President. Bryan will continue to meet with and service our clients as he joins the executive team to lead the company to excellence in the field and stellar service for our clients.

Bryan joined GEN Financial in 2015 and has proven to be an invaluable Financial Advisor and member of the Investment Committee. His dedication to serving our clients with the best possible investment and planning advice made him a perfect candidate for partnership. We are confident in Bryan's capabilities and the bright future of the company as he joins Eric and Aaron in managing the firm. Please join us in congratulating Bryan on his new role with GEN Financial!

**Wife: You spend too much time thinking about golf! Do you even remember the day we got married?**

**Husband: Of course I do! It was the same day I sank that 45-foot putt.**



## FREE LUNCH??

### Health Savings Account



We all know the adage "there is NO FREE LUNCH!" In tax terms, however, the Health Savings Account ("HSA") constitutes a free lunch! Dollars contributed to an HSA reduce your taxable income. When you use the money in your HSA to pay for a qualified medical expense, you will not owe tax on the contribution or growth of that money.

There is one important characteristic of all HSA accounts of which many are unaware. There are no time limitations as to when you can use an HSA to reimburse yourself for qualified medical expenses. You are not required to use the money in the year in which you contributed it. There is no "use it or lose it" rule. You could, for example, reimburse yourself 25 years later, with tax-free dollars, if you have bills or records of past medical expenses you paid to prove that the withdrawal is used legitimately. This tax-free withdrawal can be used for anything you want; a new set of golf clubs, a family vacation, or you could go to your favorite restaurant and order your own **FREE LUNCH!**

# INVESTMENT AND PORTFOLIO UPDATES

One of the topics we have been covering in our investment related updates is the uniqueness of our holdings and the advantages we can offer you. We think it's valuable information you should have.

As a fully independent Registered Investment Advisor, GEN only works for our clients. We seek services from firms like Schwab and Fidelity for investment custody and tax reporting to ensure our clients receive premium service. We are not paid by these firms and continue to evaluate their services and that of their competitors. We select investments for the model portfolios by seeking the optimal mix of risk, return and expenses. Similar to the custodians we use, we do not revenue share with investment managers. All this means is, they don't pay us. The bottom line is the only money GEN receives comes from our clients and that is the way we like it. Although we have your best interest in mind anyway, we love that we have no divided financial loyalties.



One significant benefit of our model is that the investment managers view GEN as the client. A common problem for investment managers that are highly successful is that everyone wants to use them, but they have limited capacity. What occurs when too many people pour their money into great managers is that they need to stop accepting new investors. This means most investors are forced to continue down the list of options to find other managers that remain open to new investment. At GEN, we have been granted exceptions to continue to invest in closed managers and offer those to all of our clients across all of our platforms. Five of the sixteen managers currently in our models are closed to new investors.

Another distinguishing feature in the models is access to boutique institutional managers. Versus Capital, the Real Estate manager in the portfolios, has a minimum investment of \$10 million. This eliminates them as an option for most investors. Again, since they view GEN as the client, we exceed their minimum and are able to provide access to all of our clients.



We are proud of our investment management process and the opportunities it provides. We continue to monitor portfolios daily. Our Investment Committee meets weekly to discuss holdings, market and economic trends, and any client specific risks. We meet with dozens of investment managers each year and fully reevaluate the models each fall.



Another advantage to highlight is that we are nimble. Some of us in the office move faster than others... but seriously; we identified an issue with a manager in 2018 that was leaving a fund and that was going to create a significant capital gain. We dug in. Did the research. Identified a superior option and moved all of our clients into the new investment within three weeks. By comparison, major 401(k) plans (think Fortune 500 companies in town) made similar changes, but it took them six months to do so.

It has been fun sharing some of these specifics with you individually in our meetings. It isn't something we will spend a lot of time on each year, but we felt it was important to share a peek behind the curtain into how your portfolios are managed. We greatly appreciate your trust and do not take it lightly. Please let us know if you have questions. We look forward to seeing you soon!

## Your GEN Team

*Materials discussed in this newsletter are meant for informational purposes only.  
Always seek professional advice before making any decisions.*

We welcome your thoughts, comments and suggestions regarding our newsletter.  
Please contact Lisa Hemmer at [Lisa.Hemmer@genfinancial.com](mailto:Lisa.Hemmer@genfinancial.com)