Arizona economy: State ranks No. 3 for discouraged workers. 4E

Jobs: Contractor or employee? The perils of misclassification. 6E

Last week’s results

<table>
<thead>
<tr>
<th>Dow Jones</th>
<th>NASDAQ</th>
<th>S&amp;P 500</th>
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<td>12,508.13</td>
<td>5,088.63</td>
<td>2,079.05</td>
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Paddock still open despite collapse

PAUL GIBLIN
THE REPUBLIC

The public collapse of Scottsdale-based Paddock Pools in recent weeks marks the downfall of one of the nation’s oldest and largest pool construction companies.

Merging businesses has been routine, these contracting-vehicle partnerships that are utilized by investors have been routine and have seen at least $1.4 million in judgments and liens recorded against it since 2013, according to public records.

Yet the doors at Paddock’s Scottsdale office have been unlocked Thursday and a sign inviting visitors read: “Open.” A sales clerk who declined to provide his name said employees were providing goods and equipment to customers who previously made purchases, but were not conducting new business.

The clerk said chief financial officer Michelle Myers was in the building, but was not granting interviews. No phone message was left by The Arizona Republic’s house numbers.

The Arizona Registrar of Contractors revoked three contracting licenses held by Paddock and related companies.

See PADDOCK, Page 6E

Fostering students’ interest in STEM

KAYLA S. SAMBOY
THE REPUBLIC

Assured Engineering Concepts design and build systems, plants for process and manufacturing industries. Ramirez wants to do more than just lay the groundwork for providing goods and equipment to customers who have never given a thought to a career in science, technology, engineering and math. Ramirez last spring started an internship program to help young people discover what they’re passionate about, much like the Air Force helped Ramirez when he was a 20-year-old without a high school diploma.

A Phoenix native, Ramirez enlisted in 1987. He had been working part-time as an intern and taking classes at a community college.

His time in the Air Force changed Ramirez. “It gave me a window to look at engineering,” Ramirez said. “I went into engineering and I’ve never looked back.”

See INTERNSHIP, Page 3E

How to minimize Social Security taxes

Deciding when to start taking Social Security benefits depends on many fac-

tors — including your health and the amount of financial resources at your disposal.

Income taxes and withdrawals from other retirement accounts also can influ-

ence the decision. Yet these factors often don’t get as much attention as they should. As a new report from Prin-

terdial that, among other things, looks at retirement accounts — can trigger taxes on Social Security benefits that otherwise might go untaxed, said James Maloney, a Prudential vice president for strategic initiatives who authored the report. Investors who delay withdrawing from Social Security itself provides flexibility on when to take income.

“If you want to make sure you’re maximizing your after-tax income, take some of that 401(k) and IRA money and spend that first,” Maloney said. “If Social Security is your only income in retirement, you won’t pay taxes on it and your Social Security benefit falls into one of three categories. For moderate-income retirees, it falls into this category for others, up to 45 percent of benefits — probably no more than 25 percent of benefits — could be taxed. Where the milestone lands depends on

See WILES, Page 4E

The public collapse of Scottsdale-based Paddock Pools in recent weeks marks the downfall of one of the nation’s oldest and largest pool-construction companies.

The Arizona Registrar of Contractors revoked three contracting licenses held by Paddock and related companies. www.azcentral.com | Sunday, July 26, 2015 | 1E

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See PADDOCK, Page 6E

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The perils of misclassification

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