

Advantage

Your personal finance edge

September–October | 2020

A 3D-rendered pink piggy bank is the central focus, wearing a black graduation cap with a tassel. To its right is a rolled-up white diploma tied with a gold ribbon. The background is a soft, light blue gradient.

Saving for college? The 411 on 529s

Improving the contactless client experience

Make-ahead, money-saving meals | End-of-year business planning

Proactive fall yard prep | Create a caramel apple buffet

The perfect time for planning...

Given the impact of COVID-19 on the economy and our lives, being as prepared as possible for the future is more important than ever. This issue of *Advantage* magazine offers several practical tips to help you get organized and achieve your business and personal goals.

When it comes to your business, end-of-year and tax planning is always important, but this year it is critical. This is especially true if you participated in any government-funded stimulus programs such as the Paycheck Protection Program or Economic Injury Disaster Loan. Check out our year-end business planning article to help you hone in on some key issues to address.

With back-to-school season here, it's the perfect time to make a plan to cover future college expenses. Check out our article on the 411 of 529 plans to get you started. It's also a great time to simplify meal preparation, so check out our money-saving, make-ahead-of-time recipes in this issue—perfect for busy families that are also working within a budget.

Another area where proactive planning is useful is the yard. We've included tips for fall preparation to help make your spring yardwork much easier. Finally, because this time of year is traditionally reserved for fall-themed fun, enjoy our tips on hosting a fun and sugary-delicious candy apple buffet.

Our firm is here for you to help plan ahead and be proactive. Please contact us to make an appointment.

Sincerely,

Your Trusted Advisors

When it comes to your business, end-of-year and tax planning is always important, but this year it is critical.

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Saving for college? The 411 on 529s

Saving for college is something that can never be started too early. Like with any savings plan, 529s represent a long-term commitment and come with things to consider, such as penalties and restrictions. So, before opening a 529 plan, here are a few things to keep in mind...

Potential gift-tax penalty

Individuals are eligible to contribute \$75,000 gift-tax free to a 529 plan when electing a five-year contribution, while couples can contribute \$150,000 tax-free over five years. Be advised that a gift-tax penalty may be imposed on contributions under two conditions: 1) If you make any additional contributions greater than the maximum gift-tax limits within five years and 2) if the contributor passes away before the five-year period has expired.

For those who elect to contribute per single year, the gift tax limits are \$15,000 for an individual and \$30,000 for couples.

Account fees

All 529 savings plans have associated fees—such as maintenance and enrollment. Be aware that some plan fees are higher than others. For example, plans purchased through a financial agency generally come with a higher upfront cost than plans bought directly through a state provider. Consider fees before making a decision.

Restrictions and penalties

If you use 529 funds for any non-qualified expense, you will be subject to income taxes and a 10 percent federal penalty. As such, be sure to use funds only for qualified expenses, such as tuition, books and boarding. If you aren't sure if an expense is qualified, be sure to speak to your financial advisor.

Available time to save

Consider how much time you have to save for college. This will affect your investment strategy and the plan you choose. Be sure to carefully analyze outcomes and investment options for your unique situation to ensure you save enough by the time you need the funds.

Understand the risk

While investing in a 529 plan is a sound tactic, it's always possible that circumstances will arise that cause you to miss your target savings goal. To avoid this scenario, be sure to carefully monitor the progress of your 529 plan and make any necessary adjustments along the way.

Be aware of state income tax return benefits

Most states that have an income tax offer a tax benefit for contributing to state provider 529 plans. Additionally, some states offer a benefit regardless of who the 529 plan is through, including Arizona, Alaska, Kansas, Minnesota, Missouri, Montana and Pennsylvania. States that do not offer a tax return benefit include California, Hawaii, Kentucky, New Jersey, Delaware and Maine.

Be sure to think it through before you open a 529 plan. Of course, don't think too long...your kids will be grown and ready to head off to college before you know it! ■



Improving the **contactless** customer experience



As concerns around public health and safety continue to rise, so does the popularity of contactless service. In fact, it's highly likely that consumers' appetite for no-contact support will persist post-pandemic. Business owners need to take this seriously, because rest assured that customers are paying attention to how your business has adapted practices and procedures to ensure their safety.

Some businesses are already well on their way—having implemented technologies and new ways of working to support customers virtually and limit physical interaction. No matter where you are in the journey, the following tips and tactics can help you improve the contactless customer experience in your business.

Make a plan

Any major change to a business requires proper planning. To start, be sure to map out every touchpoint in your client experience—from initial introduction to your business through product or service delivery. This allows you to view client experience in its entirety, and then adapt points of interaction to support a lower- or no-contact encounter. Your plan can also serve as a road-map for training staff on your company's unique no-contact procedures.

Identify needed technologies

There are so many technologies that accommodate virtual services and support. For example, if you typically meet with clients onsite, implement a leading video conferencing tool, like Zoom or Teams, and meet with clients on-screen instead of on-site. If your business relies on clients being on premise (e.g., retail stores), implement no-touch readers to take payments or apps that allow customers to order and pay ahead of picking up merchandise.

Create a personalized no-contact experience

Perfecting your contactless customer experience isn't just about limiting physical interaction; it's also about keeping your customers' experience positive. So, be sure to maintain a level of personalization so consumers don't feel neglected or underserved. For example, if you offer curbside product pickup, leave a thank you note in the customer's packaging or send a follow-up thank you via the mobile app. Be creative in how you stay close to customers without, well...getting too close.

Communicate with clients

Whatever your contactless plan, be sure to stay in close communication with your clients...always! It's a whole new world, and while some clients prefer the no-contact approach, others may be overwhelmed by the stark change. As you proceed with planning your perfected contactless customer experience, make sure you communicate with your clients along the way to keep them in the loop with new procedures and the reasons you are making these changes.

It's truly a whole new world. The pandemic has changed the business landscape forever, so be prepared to serve your customers in the manner they expect—which is personal, safe and secure. ■



Make-ahead, money-saving meals

It's autumn, and that means busier schedules as kids go back to school, whether in person or virtually. So, what better time to simplify meal preparation? With this in mind, we've pulled together a few make-ahead, budget-friendly recipes for you to try as you face the frenzy of fall.

Quinoa Stuffed Peppers

Mix together:

- 1 cup uncooked quinoa, rinsed
- 1 can black beans, drained (14-ounce)
- 1 can refried beans (14-ounce)
- 1 1/2 cups red enchilada sauce
- 1 tablespoon taco seasoning
- 1 1/2 cups shredded cheese

Stuff mixture into six to eight large hollowed out fresh bell peppers and then freeze.

Bake from frozen at 400 degrees for one hour and 15 minutes, covered. Finish by melting extra cheese on top. Serve with guac, sour cream, cilantro, hot sauce and your favorite condiments.

Tandoori Coconut Chicken

Freeze together:

- 2 lbs. boneless skinless chicken thighs
- 2 tablespoons garam masala
- 2 tablespoons honey
- 2 tablespoons chili powder
- 1 tablespoon garlic powder
- 1 tablespoon ground cumin
- 2 teaspoons salt
- 2 teaspoons turmeric
- 1/2 teaspoon ground ginger
- 1/2 teaspoon cayenne pepper
- 1 14-ounce can coconut milk

Add the frozen ingredients to an instant pot, cooking 15 minutes on high pressure plus 20 minutes natural release. If using a slow cooker, cook from thawed for four hours on high.

Serve in rice bowls with roasted vegetables, cauliflower rice, or use as taco or burrito filler.

Beef Ragu

Freeze together:

- 6 cloves garlic, smashed
- 1 cup mirepoix, fresh or frozen
- 2 pounds flank steak or beef chuck, cut into 4 pieces
- 2 teaspoons salt
- 1 can crushed tomatoes (28-ounce)
- 1/2 teaspoon thyme
- 2 bay leaves

Add the frozen ingredients to an instant pot. For beef chuck, 65 minutes on high pressure plus 10 minutes natural release. For top sirloin, 45 minutes on high pressure plus 10 minutes natural release. You can also use a slow cooker and cook ingredients from thawed for six hours on high.

Finally, shred meat and serve with any number of easy sides like pasta, baked potatoes, polenta, rice, cauliflower rice, gnocchi or zucchini noodles.

These are just a few easy and low-cost meal ideas. Apply some creativity to come up with a few of your own as well!

End-of-year business planning



Planning in Q4 is critical to effectively assess the impact of the current economic crisis on your business, reduce your tax obligation and help ensure financial success in 2021. For business owners who secured a Payroll Protection Program loan and/or an Economic Injury Disaster Loan, it's even more important to put a plan in place to help ensure financial stability. Here are a few tips to get you started...

■ **Get clarity on your financial position**

It's essential to understand your current financial position so you can make adjustments to your goals moving forward. Start by tracking your monthly cash flow and recurring expenses, and then tweak spending as needed to help ensure profitability.

■ **Have a business plan**

If you don't have a formal written business plan in place, now is the time to create one. Work on your plan over the next month and set a deadline to keep you accountable. Our team can help you collect the financial information needed to form the foundation of your business plan.

■ **Prepare for transitions**

In the course of refreshing or writing your business plan, consider any business transitions that may be on the horizon—like change of ownership or retirement. Preparing for large-scale change early on will make the transition that much easier later.

■ **Enhance customer service**

Think through any needed changes to your customer service model. With many consumers expecting a contactless experience, big changes are likely in order. Consider improving the customer experience with contactless payment options, curbside delivery, digital communications (over on-site visits when possible), and anything else that will ensure your customers see that you take their health and safety seriously.

■ **Think taxes**

Start planning now to help reduce your tax burden. Be proactive by looking into potential tax savings. And remember, the CARES Act, changes in tax credits and stimulus payments are just a few things that could change your tax obligation this year. Be sure to talk to a tax professional to help you during this unprecedented tax year.

Planning is the key to business success... especially this year. Contact a member of our team for support. We are here to help. ■



Proactive fall yard prep

Whether you have to prepare for snow—or just a slight change in the weather during the fall season, now is the time to get your yard ready. Apply a few of these tips from PopularMechanic.net to get your outdoor space in tip-top shape so you have much less work to do come springtime!

Mow for maintenance

Throughout the fall, you should continue to water and mow your lawn on a regular schedule. Once you get to the last few cuttings for the year, cut grass shorter than usual to allow more sunlight to reach the crown. This will ensure fewer grass blades turning brown during the winter months.

Allow for aeration

Fall is a great time to aerate your lawn, which allows air, water and fertilizer to easily reach grass roots. You can do this yourself with rented equipment or hire a landscape company.

Ready your rake

Remove fallen leaves from your lawn as soon as possible. Use a rake or a leaf blower to do a thorough job. This helps eliminate wet leaves that can suffocate your grass.

Fertilize for the future

If you fertilize your lawn once a year, do it in the fall. Grass grows far more slowly as the weather turns cool, but grass roots and rhizomes (a high-growth part of the plant) continue to grow quickly

underground. Fertilizing during the autumn months delivers essential nutrients to strengthen grass roots.

Banish bare spots

Bald spots definitely detract from your lawn's beauty. Autumn is a great time to do a little repair work. Try using an all-in-one lawn repair mixture containing grass seed, special quick-starter lawn fertilizer and organic mulch to fill in those unsightly bald areas.

Work on weed control

Did dandelions take over your lawn this summer? If so, do some weed control now. Like most plants, weeds are in the energy-absorbing mode during fall, which makes them more susceptible to drinking in weed killer. Apply an herbicide now, and weeds are far less likely to return in the spring.

Just a little bit of fall yard maintenance now will have your outdoor space looking like a million bucks later. Usher in spring with a lush, green lawn this year! ■

Create a caramel apple buffet



Caramel apples are a great autumn tradition—and they are surprisingly easy to make. Spice up the fall season and have some fun by setting up a caramel apple buffet, offering family and friends the ability to personalize their apple treat. Follow these simple instructions to get you started:

Plan and prep

Using caramel candies is one of the easiest ways to make a caramel coating. An average size candy bag will cover about four apples, so plan accordingly. Unwrap all your candies and place them in a small saucepan. Wash and dry your apples and stick each with a popsicle stick. Choose your toppings and place each on a separate, shallow plate.

Melt your candies

Melt your caramels over medium to low heat and add two tablespoons of water. Use a wooden spoon or plastic spatula and stir frequently until the candy is completely melted.

Start dipping

Remove pan from heat and quickly coat your apples in your melted caramel by holding on to the stick.

Add your favorite finishes

Once apples are coated with caramel, have your guests dip their apple in the toppings of their choice. Consider offering toasted chopped peanuts or almonds, crushed cinnamon cereal, multicolored sprinkles, chopped cookies, mini M&Ms, crushed candy bars and any other delicious side you can think of.

Refrigerate and then enjoy

After the toppings are applied, place apples on a parchment paper-lined baking sheet and put them in a refrigerator for at least an hour to set. After an hour or so, pull out your caramel apple treats and dig in.

You don't need to host a party to enjoy a caramel apple buffet. Consider creating one the next time you have a family game night or in lieu of dessert. ■



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