Volume 36, No. 2

Success InSight®

Summer 2018

Take Control of your Finances

Use the monthly planner to get a snapshot of your finances. Most will know the exact amount for our fixed expenses like mortgage, car payments or a gym membership. But you may not realize just how much you spend on discretionary spending like dining out, entertainment and personal care. If you are struggling with those totals, try filling in the amount of only those expenses that you are sure of the exact cost each month. Then add those expenses and subtract from your monthly income. The difference is what you spend on varying expenses.

If you are struggling to break even each month then it's time to take a closer look at your spending. Chances are you can save at least a hundred a month with very little effort. That's $1200 a year. Hold $100 cash in your hand. Now consider just tossing it in the trash. Unthinkable, right? $1200 is "no way"! But, that's what you may already be doing every month!

If you pay for non-essentials with a debit or credit card you can track your spending through your statements. For cash purchases, you will need to track every penny you spend for the next month to see where your money is going. Keep a running list on your phone and keep every receipt. If you put a quarter in a parking meter, make a note of it.

Once you have the totals for every monthly expense, you can start looking at where to cut back. Rank each expense with a 1, 2 or 3, with one being the items you would miss the most. Two being an "only if you can afford it" and three being the products or services you could eliminate painlessly. Here are a few more ways to save:

- Contact your insurance providers. Tell them you want to lower your insurance premiums without compromising the terms of your policies. Ask if there are any discounts you may qualify for or if you have any duplicate or unnecessary coverages. Comparison shop for lower rates if necessary.
- Contact cell phone, cable and other service providers. Check for promotions and eliminate any services you can do without. Cell phone and cable/internet companies have become increasingly competitive. On average, you can get non-contract phone service for as low as $42 per month without sacrificing quality and services. Consumers are saving an average of $92 per month just by calling in and updating their cable / internet package.
- Use a savings app like Gas Buddy or local discount card to be sure you are keeping your gas costs as low as possible. Avoid tolls when you can get there as easily without them.
- Contact your utilities providers and ask for a free energy audit and other tips on how to cut your electric, water and gas bills.
- Cancel any auto ship, auto debit subscriptions or gym memberships that are going unused.
- Ask your doctor for free samples or less costly generics for your prescriptions. Check with the pharmacist for discount cards or coupons that may apply.
- Contact your loan servicers and credit card companies to ask for a lower interest rate or any other interest saving options they offer.

• *continued on page 5*

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5 Tax Deductions that Disappear in 2018

While the recent Tax Reform adds a lot of tax relief, Taxpayers who itemize should be aware that a few key deductions they may have previously counted on to reduce their taxable income have disappeared in 2018.

1. **Moving Expenses.** Prior to tax reform (i.e., for tax years starting before January 1, 2018), taxpayers could deduct expenses related to moving for a job if the move met certain IRS criteria. However, for tax years 2018 through 2025, moving expenses are no longer deductible--unless you are a member of the Armed Forces on active duty who moves because of a military order.

2. **Unreimbursed Job Expenses.** For tax years starting in 2018 and expiring at the end of 2025, miscellaneous unreimbursed job-related expenses that exceed 2% of adjusted gross income (AGI) are no longer deductible on Schedule A (Form 1040). Examples of unreimbursed job-related expenses include union dues, continuing education, employer-required medical tests, regulatory and license fees (provided the employee was not reimbursed), and out-of-pocket expenses paid by an employee for uniforms, tools, and supplies.

3. **Tax Preparation Fees.** Tax preparation fees, which fall under miscellaneous fees on Schedule A of Form 1040 (also subject to the 2% floor), have been eliminated for tax years 2018 through 2025. Tax preparation fees include payments to accountants, tax prep firms, as well as the cost of tax preparation software.

4. **Personal Exemptions.** Repealed for tax years 2018 through 2025, the personal exemption enabled individual taxpayers to reduce taxable income ($4,050 in 2017). Each household dependent was able to take the deduction as well. While the standard deduction did increase significantly ($12,000 for individuals, $24,000 for married taxpayers filing jointly, $18,000 for heads of household) to compensate, some taxpayers may still lose out.

5. **Subsidized Parking and Transit Reimbursements for Employers.** Before tax reform, employees could take advantage of a perk offered by many employers whereby parking and transit pass costs (up to $255 per month in 2017) were reimbursed by their employers tax-free. These reimbursements were not included in the employee's taxable income and were deductible to companies on their tax returns. However, for tax years starting in 2018, the employer deduction is no longer available.

Financial Control

• *continued from page 1*

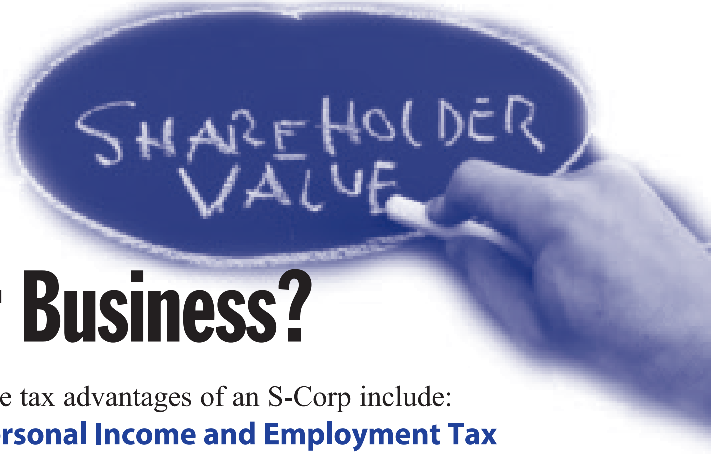
- Ask your bank to lower your banking fees and pay ATM fees only for emergencies. If you use a competing banks ATM just twice a month, that adds up to $84 per year.
- Do whatever is needed to stop tossing away money on late fees and overdraft fees.
- The average family of four has a grocery budget of $600 to $1300 per month. Coupons, store cards and buying in bulk are just a few of the many ways to save on groceries. Check the local store ads for inspiration on this week's meals. If you save just $5 per week with coupons – that adds up to $262 in a year.
- Ditto for dining out, travel and entertainment. Watch for coupons, daily specials and other discounts.
- Stopping for a specialty beverage every week day for a year (261 days) adds up to $1,028.34 per year. Decide if the little luxuries are a priority.
- Can you afford your hobbies or are they just taking up space and draining your finances? The biggest question is: Can you afford it?
- Do not pay for storage or maintenance on anything you haven't used in the past 6 months and don't have concrete plans to use in the next six months.
- If you qualify for discounts like military, senior or student – Speak Up! Before you buy ask the clerk "Is there a discount code or coupon I should be aware of? Download online apps like RetailMeNot for automatic alerts on savings while you shop.

SIMPLE BUDGET

Income Take home pay *(wages and tips)*	$	Additional income *(net from business, investment interest, etc)*	$
		Total Income	$

Expenses Rent or Mortgage *(include any taxes and insurance)*	$	Bank Fees *(ATM fees, overdraft charges, bill-pay, etc.)*	$
		Other debt *(child support, rent to own, tax bill, etc)*	$
Car Payments	$	Charitable contributions	$
Gasoline	$	Groceries	$
Car Insurance	$	Laundry/Dry cleaning/Uniforms	$
Tolls *(public transportation, taxi, uber, etc.)*	$	Dining out *(don't forget daily coffees, sodas and snacks!)*	$
Utilities *(electric, water, gas, etc.)*	$	Travel/Entertainment	$
Cable / Internet	$	Hobbies	$
Landline / Cell phone	$	Personal Care *(haircuts, makeup, etc.)*	$
Medical insurance	$	Pet care *(food, supplies, vet, etc.)*	$
Other subscriptions or plans *(Gyms, auto ship, pet insurance, etc.)*	$	Other	$
Medical *(co-pays, prescriptions, supplies, etc.)*	$	Savings	$
Personal or Student loan payments	$	**Total Expenses**	$
Credit card payments	$		

Discretionary Income	INCOME minus EXPENSES	$



Is an S-Corporation the Right Choice for Your Business?

As a small business owner, figuring out which form of business structure to use when you started was one of the most important decisions you had to make; however, it's always a good idea to periodically revisit that decision as your business grows. For example, as a sole proprietor, you must pay a self-employment tax rate of 15% in addition to your individual tax rate; however, if you were to revise your business structure to become a corporation and elect S-Corporation status you could take advantage of a lower tax rate.

An S-Corporation (or S-Corp) is a regular corporation whose owners elect to pass corporate income, losses, deductions, and credits through to their shareholders for federal tax (and sometimes state) purposes. That is, an S-corporation is a corporation or a limited liability company that's made a Subchapter S election (so named after a chapter of the tax code). Rather than a business entity per se, it is a type of tax classification. Shareholders then report the flow-through of income and losses on their personal tax returns and are assessed tax at their individual income tax rates, which allows S-corporations to avoid double taxation on corporate income. S-corporations are, however, responsible for tax on certain built-in gains and passive income at the entity level.

To qualify for S-corporation status, the corporation must submit a Form 2553, Election by a Small Business Corporation to the IRS, signed by all the shareholders, and meet the following requirements:

- Be a domestic corporation
- Have only allowable shareholders. Shareholders may be individuals, certain trusts, and estates but may not be partnerships, corporations or non-resident alien shareholders.
- Have no more than 100 shareholders
- Have only one class of stock
- Not be an ineligible corporation (i.e. certain financial institutions, insurance companies, and domestic international sales corporations).

The tax advantages of an S-Corp include:

Personal Income and Employment Tax Savings. S-corporation owners can choose to receive both a salary and dividend payments from the corporation (i.e., distributions from earnings and profits that pass through the corporation to you as an owner, not as an employee in compensation for your services). Dividends are taxed at a lower rate than self-employment income, which lowers taxable income. S-corp owners also save on Social Security and Medicare taxes because their salary is less than it would be if they were operating a sole proprietorship, for instance.

The split between salary and dividends must be "reasonable" in the eyes of the IRS, however, e.g., paying self-employment tax on 50% or less of profits or a salary that is in line with similar businesses. Furthermore, some S-corp owners may be able to take advantage of the 20% deductions for pass-through entities as well, thanks to tax reform.

Losses are Deductible. As a corporation, profits and losses are allocated between the owners based on the percentage of ownership or number of shares held. If the S-corporation loses money, these losses are deductible on the shareholder's individual tax return. For example, if you and another person are the owners and the corporation's losses amount to $20,000, each shareholder is able to take $10,000 as a deduction on their tax return.

No Corporate Income Tax. Although S-corps are corporations, there is no corporate income tax because business income is passed through to the owners instead of being taxed at the corporate rate, thereby avoiding the double taxation issue, which occurs when dividend income is taxed at both the corporate level and at the shareholder level.

Less Risk of Audit. In 2014, S-corps faced an audit risk of just 0.42% compared to Schedule C filers with gross receipts of $100,000 who faced an audit rate of 2.3%. While still low, individuals filing Schedule C (Profit or Loss from Business) are at higher risk of being audited due to IRS concerns about small business owners underreporting income or taking deductions, they shouldn't be.

The Home Office Deduction: What's New

Self-employed taxpayers who use their home for business may be able to deduct expenses for the business use of it. Qualified persons can claim the deduction whether they rent or own their home and can use the simplified option or the regular method to claim a deduction.

For tax years prior to 2018, employees could also claim home office expenses as deductions provided they met additional rules such as business use must also be for the convenience of the employer (not just the employee). Tax reform legislation passed in 2017 however, repealed certain itemized deductions on Schedule A, Itemized Deductions for tax years 2018 through 2025, including employee business expense deductions related to home office use, affecting many remote employees.

As a reminder, here are five tips to keep in mind about the home office deduction:

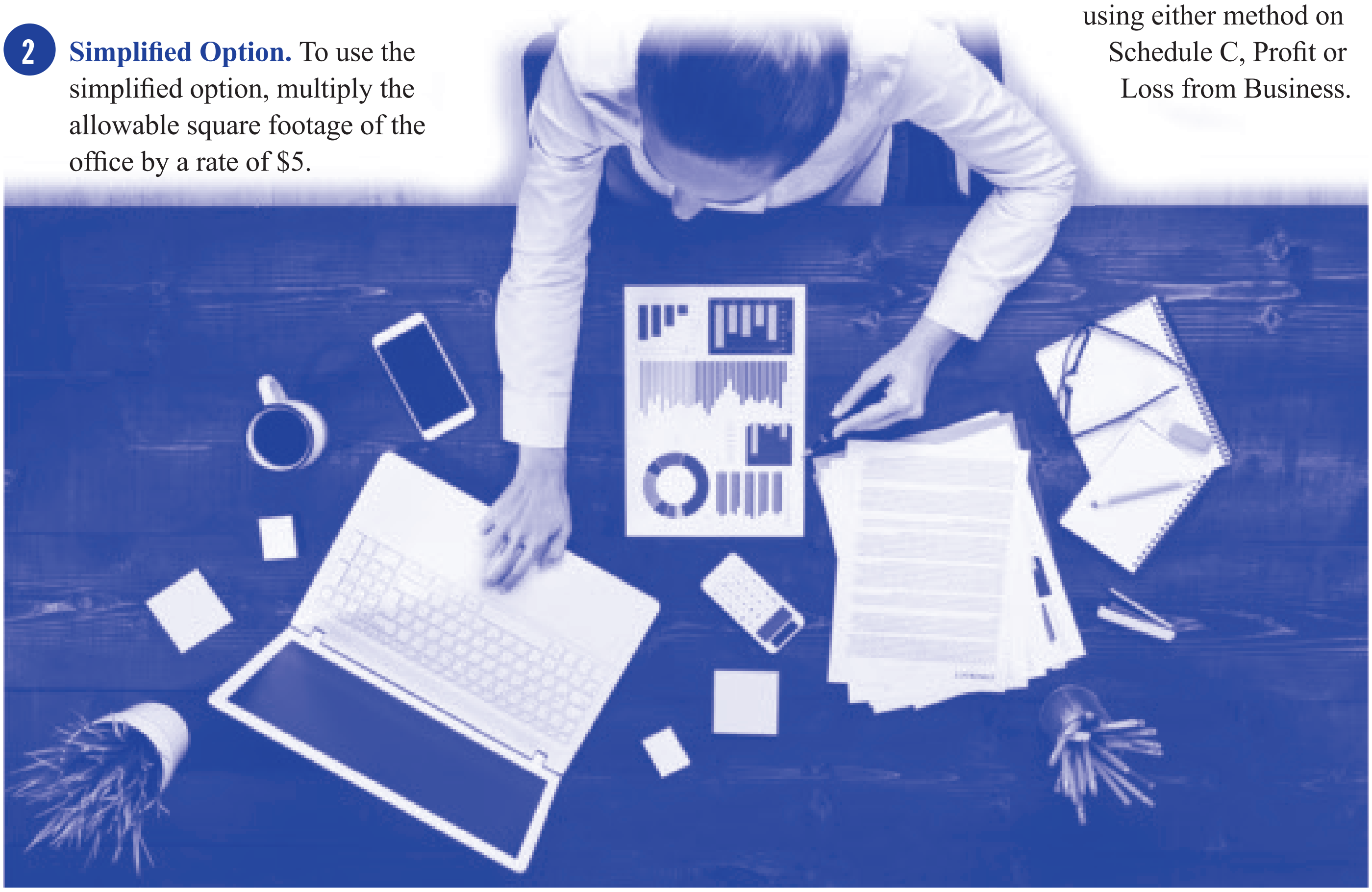
1. **Regular and Exclusive Use.** Generally, taxpayers must use a part of their home regularly and exclusively for business purposes. The part of a home used for business must also be:
   - A principal place of business, or
   - A place where taxpayers meet clients or customers in the normal course of business, or
   - A separate structure not attached to the home. Examples could include a garage or a studio.

2. **Simplified Option.** To use the simplified option, multiply the allowable square footage of the office by a rate of $5. The maximum footage allowed is 300 square feet. This option will save time because it simplifies how to figure and claim the deduction. It will also make it easier to keep records. The rules for claiming a home office deduction remain the same.

3. **Regular Method.** This method includes certain costs paid for a home. For example, part of the rent for rented homes may qualify. For homeowners, part of the mortgage interest, taxes and utilities paid may qualify. The amount deducted usually depends on the percentage of the home used for business.

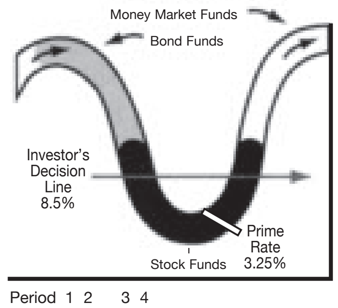
4. **Deduction Limit.** If the gross income from the business use of a home is less than expenses, the deduction for some expenses may be limited.

5. **Self-Employed.** Taxpayers who are self-employed and choose the regular method should use Form 8829, Expenses for Business Use of Your Home, to figure the amount to deduct. Claim the deduction using either method on Schedule C, Profit or Loss from Business.



The Money Movement Strategy

Prime Rate Chart for Money Movement Strategy



Long-Term Direction: Level
Monthly Change: 0.00%

How It Works

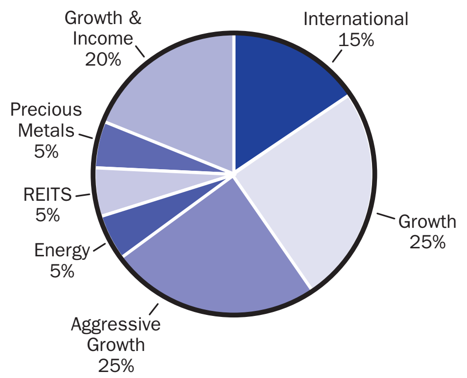
Long-term increases or decreases in the value of stocks, bonds and money market instruments are caused by changes in interest rates, primarily the Prime Rate. Of the three categories of mutual funds — stock, bond, or money market, there is only one type of investment that will give you above-average returns at any given time.

The Money Movement chart represents typical changes of interest rates smoothed out over time. The Investor's Decision Line (IDL) indicates the point at which you should move your money from one type of fund to another. At this time, the IDL indicates stock funds.

Models For Portfolio Management

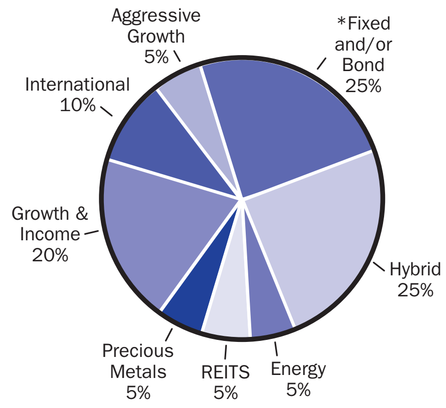
Aggressive

Keep all mutual funds and retirement money in stock funds.



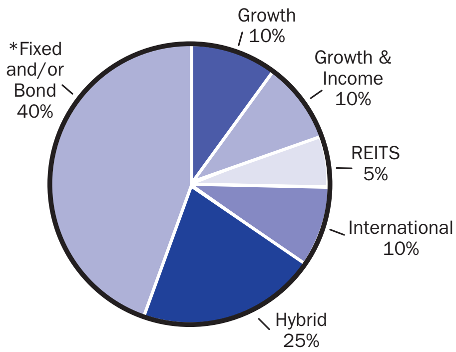
Moderate

Keep most mutual funds and retirement money in stock funds.



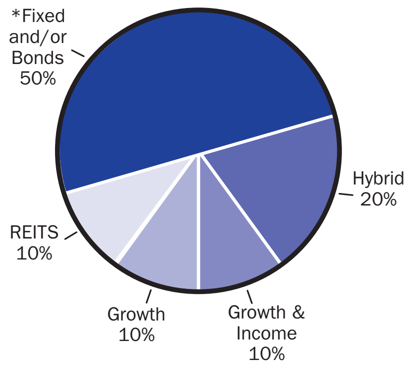
Conservative

Keep most mutual funds and retirement money in stock funds.



Retirees

Note: This portfolio does not follow the Money Movement Strategy! Create the proper mix of Stock, Bond, and money market funds.



*Fixed Market-Linked CDs

No-Load Mutual Funds*

Fund Name/Type	Stock Symbol	Buy, Sell or Hold	3 Month % Change	Average Annual Returns as of 06/30/18 1 Year % Change	5 Year % Change	10 Year/ % Change	Expense Ratio
Aggressive Growth							
Dreyfus Small Cap Index	DISSX	Buy	8.66	19.86	14.07	11.94	0.50
Kinetics Paradigm No Load	WWNPX	Buy	12.76	36.02	13.74	8.63	1.64
Needham Growth	NEEGX	Buy	4.54	7.76	6.10	8.63	1.90
Schwab Hedged Equity Select	SWHEX	Buy	0.59	6.64	7.94	5.78	1.33
Value Line Small Cap Opp	VLEOX	Buy	3.56	14.25	12.41	10.15	1.21
Growth							
American Century Mid Cap	ACMVX	Buy	1.51	6.41	11.92	11.74	0.96
Dreyfus MidCap Index	PESPX	Buy	4.18	12.95	12.19	10.29	0.50
Harbor Mid Cap Growth Inv	HIMGX	Buy	6.32	23.74	13.40	9.10	1.26
Janus MidCap Value T	JMCVX	Buy	1.64	7.31	9.52	7.98	0.72
Neuberger Berman Partners Inv	NPRTX	Buy	2.55	7.49	10.26	5.64	0.88
Selected American Shares	SLASX	Buy	4.59	14.11	12.24	8.29	0.97
American Century Small Cap Value	ASVIX	Hold	5.01	11.22	11.71	11.38	1.25
Growth & Income							
American Century Equity	TWEIX	Buy	-0.89	14.40	7.08	3.68	1.17
American Century Large Value	ALVIX	Buy	1.74	4.54	9.20	7.68	0.83
Fairholme	FAIRX	Buy	1.99	-2.33	1.87	4.21	1.02
Parnassus Equity Income Inv	PRBLX	Buy	2.64	11.62	11.96	10.41	0.87
Janus Contrarian	JSVAX	Buy	3.68	9.64	8.44	5.19	0.73
T. Rowe Price Equity Income	PRFDX	Buy	1.79	9.51	9.48	8.42	0.65
Hybrid							
American Century Balanced	TWBIX	Buy	1.62	8.69	7.68	7.07	0.91
James Balanced Golden Rainbow	GLRBX	Buy	-0.11	1.87	4.35	5.47	0.97
Oakmark Equity & Income	OAKBX	Buy	0.22	6.56	8.16	6.47	0.78
Pax Balanced Individual Inv	PAXWX	Buy	1.20	6.90	7.51	5.17	0.91
Permanent Portfolio	PRPFX	Buy	1.01	6.30	3.77	4.12	0.82
International							
American Century Intl Growth	TWIEX	Buy	-0.89	14.40	7.08	3.68	1.17
Artisan International Inv	ARTIX	Buy	-2.60	7.23	5.39	3.71	1.18
Matthews China Investor	MCHFX	Hold	-5.94	22.37	11.72	7.10	1.09
William Blair Intl. Growth	WBIGX	Buy	-1.97	10.92	6.70	3.23	1.45
T. Rowe Price Emerging	PRMSX	Buy	-8.65	11.54	7.18	2.36	1.23
Sector Funds							
American Century Real Estate Inv	REACX	Buy	7.25	3.28	7.55	6.55	1.15
Cohen & Steers Realy Shares	CSRSX	Buy	8.59	4.36	8.80	8.46	0.97
T. Rowe Price Health Sciences	PRHSX	Buy	6.31	15.32	18.52	17.19	0.77
USAA Precious Metals/Minerals	USAGX	Sell	2.39	0.47	-0.39	-5.88	1.22
US Global Investors Global Res	PSPFX	Hold	-1.87	10.34	-6.38	-8.09	1.59
Bond Funds							
American Century Infl-Adj Bond	ACITX	Buy	0.39	1.61	1.25	2.65	0.47
Fidelity Capital & Income	FAGIX	Buy	1.37	5.09	7.04	8.55	0.67
Janus Flexible Bond	JAFIX	Buy	-0.06	-0.72	2.10	4.68	0.70
Loomis Sayles Bond Retail	LSBRX	Buy	-0.79	0.67	3.26	5.58	0.91
Pax World High Yield Bond	PAXHX	Buy	0.20	0.96	3.29	5.16	0.99
American Century Sh-Dur Bd fund	APOIX	Buy	0.48	1.21	0.58	2.18	0.57

* Some funds may be closed to New investors due to demand.

The performance data quoted represents past performance and the principal value and investment return will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Returns shown, unless otherwise indicated, are total returns, with dividends and income reinvested. Past performance is no guarantee of future results.

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Inherited IRA
What to Know

If you inherit an IRA or workplace savings account directly from your spouse, you can:

- Roll over the inherited assets into your own Traditional IRA.
- Transfer your inherited assets to an Inherited IRA
- Roll over and convert inherited IRA assets to your own Roth IRA
- Disclaim all or part of your inherited assets
- Leave the assets in the plan

If you inherit an IRA or workplace savings account from someone other than a spouse, you may:

- Roll over the inherited assets to an Inherited IRA account and begin taking required minimum distributions by December 31 of the year following the account owner's death.
- Take a cash distribution of your share of the inherited amount.
- Disclaim all or part of your inherited assets within nine months of the owner's death so they pass to the next eligible beneficiaries.
- Leave the assets in the plan. Depending on the plan, you may be able to transfer the inherited assets to an inherited account in the plan.

Required Minimum Distributions (RMD). RMDs are designed to ensure that investments in IRAs don't grow tax-deferred forever. The rules for when IRA beneficiaries must take RMDs depend in part on the account owner's age on the date of his or her death.

Beneficiaries of retirement accounts and IRAs calculate RMDs using the Single Life Table (IRS Table I, Appendix B, Publication 590-B, Distributions from IRAs) The table shows a life expectancy based on the beneficiary's age. The account balance is divided by this life expectancy to determine the first RMD. The life expectancy is reduced by one for each subsequent year. The following rules apply to traditional IRAs, SEP IRAs, SIMPLE IRAs, 401(k) plans, 403(b) plans, 457(b) plans, profit sharing plans and other defined contribution plans:

Spouses who are the sole designated beneficiary can:

- Treat an IRA as their own, or
- base RMDs on their own current age,
- base RMDs on the decedent's age at death, reducing the distribution period by one each year, or
- withdraw the entire account balance by the end of the 5th year following the account owner's death, if the account owner died before the required beginning date. If the account owner died before the required beginning date, the surviving spouse can wait until the owner would have turned 70½ to begin receiving RMDs

Individual beneficiaries other than a spouse can:

- Withdraw the entire account balance by the end of the 5th year following the account owner's death, if the account owner died before the required beginning date, or
- calculate RMDs using the distribution period from the Single Life Table based on:
  - If the owner died after RMDs began, the longer of the beneficiary's remaining life expectancy determined in the year following the year of the owner's death reduced by one for each subsequent year or the owner's remaining life expectancy at death, reduced by one for each subsequent year
  - If the account owner died before RMDs began, the beneficiary's age at year-end following the year of the owner's death, reducing the distribution period by one for each subsequent year.

Roth IRA RMD Rules. The IRS provides for an automatic spousal rollover if your spouse is the sole beneficiary of the IRA and there would be no RMD requirement during the life of the surviving spouse. However, if the beneficiary is not your spouse, he or she would become subject to Required Minimum Distribution rules,

The non-spouse beneficiary has two options:

- They can take out the entire balance by December 31st of the year containing the fifth anniversary of the owner's death or
- the beneficiary will have to start taking distributions over the beneficiary's life expectancy, starting no later the December 31st of the year following the year of the owner's death (this process is called the Term Certain Method).

If distributions to the beneficiary do not start by December 31st following the year of the owner's death, the rule requiring a complete distribution of the plan balance within five years will become effective

Economic Outlook

–By Russ Colbert

During the past several months we have had a number of forecasters suggesting a recession looming in the year 2020.The good news is that the pundits of pessimism are not predicting it until 2020.It used to be every three or four months instead of two years out. Now we agree that a recession is coming someday. They are a fact of life, like death and taxes. But predicting one in 2020 is like reading a crystal ball and being right. No one can honestly see that far in the future. No one knows exactly what the Federal Reserve will do, not even the Fed that far out. Most recessions are caused by the Federal Reserve raising rates too high and choking off growth in the economy.

During the past year we have seen GDP growth accelerate at a very fast pace and expect it to be even higher next year. The Federal Reserve would have to raise rates faster and farther than any forecast we have seen in order to be tight going into 2020. There is also at least 1.9 trillion dollars in excess bank reserves. Until those bank reserves are eliminated, no one really knows if rising rates can actually cause a recession. Our primary concern is if the deficit keeps rising due to government spending causing pressure on politicians to raise taxes in the future. That could be a problem for U.S. growth. But, the most important thing is that the U.S. is not facing any near term economic problems. That's why the pessimists have shifted to forecasting future recessions farther out.

The job reports have continued to look very good for some time. In the past thirty plus years watching the economy there has been recessions, recoveries, panics, big drops and booms. We have rarely seen job markets this robust. Most everything seems to be politicized or has politics associated with it. The main focus for investors should be how this economy is performing. It is growth that creates opportunities for workers to do better and move ahead. There are now 148 million workers working. This is more workers working than ever before.

Nonfarm payrolls are up very strong this year so far. Civilian employment is also very positive and is a measure for small business startups. The small business startups are showing very strong growth. The private sector is driving most of the growth. In the Manufacturing sector payrolls are also up big over the past year. It is the fastest twelve-month growth since 1998. No matter how you look at it, things look pretty good.

The unemployment rate has dropped below 4%. This is the lowest unemployment rate since 1969. We think it could go lower over the next few years. We have seen this fall for all workers across the country. This is causing a tight labor market and is pulling many people who have been out of work back into the labor market. We expect this to accelerate, pushing overall wages higher. As you can see things are looking good going forward for this year and into next year.

If you have any questions or need a free portfolio review to keep you on track with your investments or retirement plan, please call me.

Russ Colbert
Senior Portfolio Manager
1-888-878-0001

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A Place to Start and Come Back to!

Given the number of inquiries we've been receiving regarding the topic of Financial Planning recently, I thought I'd revisit an article we ran several years ago that outlined our approach to the process. Please keep in mind that Financial Planning is a personal journey and can mean different things to different people and different financial advisors, and as such, there is no "one-size-fits-all" approach. With that said, at its core, worthwhile Financial Planning should provide you with a solid understanding of your current personal financial situation, clearly define your financial goals, and help you protect yourself and your loved ones from catastrophic loss.

Whether you are just starting out in your professional life, in your prime earning years, or in retirement, a personalized game plan can create a solid foundation from which you can make informed decisions about your financial future and help you make the best use of your assets. The following is just a small sample of questions you might ask yourself as you're preparing a Financial Plan: what is my monthly income and outflow?; what's the value of my current investment holdings?; how much and how often am I contributing money to my investments?; when do I want to retire?; how much income will I need during retirement?; do I need life insurance, disability insurance, and if so, how much?

The scope of this article won't allow us to explore all that's involved in preparing a thorough Financial Plan, but please know that this process doesn't have to be complicated. Mostly it just takes a commitment to going down this path and a willingness to spend the time to do so.

You can begin to put together a realistic look of your personal financial situation by following a simple 4-step Financial Planning process.

Take Inventory – Understanding your current financial situation is an important first step. Gather all the documents, account statements, insurance policies, etc., that have any bearing on your financial life and take a "snapshot" of where you are today.

Clearly Identify Your Financial Goals – Be as specific as you can here, with realistic dollar amounts tied to a time line. The better defined your goals are, the better prepared you are to make decisions that give you the best chance to achieve them.

Create and Execute a Plan of Action – Armed with a solid understanding of your current financial situation and a clearly defined set of financial goals, now's the time to set a course of action and execute your ideas.

Monitor and Adjust – Things change. There may be events in your personal life or in the marketplace that cause you to think differently about your financial future. Financial Planning is not a one-time event, it's an ongoing process. Remaining alert and flexible will be a key to your long-term success.

Remember; try to keep it simple, and let common sense and the ideas and strategies recommended by IAS Financial be your guide along the way. If you questions about this article, please feel free to call Ted Black, CFP® at 888-878-0001, extension 3.

Ted Black, CFP®
888-878-0001, extension 3
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I would like help with the following:

___ Setting up or analyzing retirement plan(s)
___ Opening a Retirement Plan for my business
___ College Funding for my children/family
___ Investing for Current Income
___ Review of 401(k), 403(b) or other retirement plan
___ Investing in Mutual Funds
___ Transferring or Rollover of IRA or retirement account
___ Review of my Investment Portfolio
___ Where to invest in 2018

Savings (IRA, 401(k), CDs, etc.):

___ 0 - $10,000
___ $10,001 - $50,000
___ $50,001 - $100,000
___ $100,001 - $500,000
___ $500,001 +

Investment Goals:

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____
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Portfolio Review
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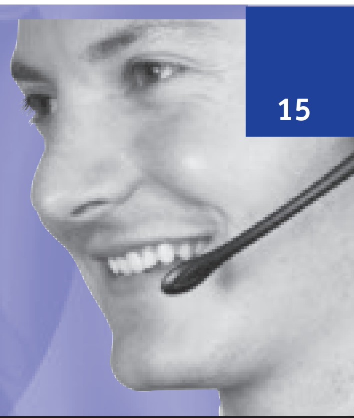
From the Financial Hotline



Call, fax or e-mail for answers to all your financial questions.

Q: Are there any websites where I can get current quotes on Certificate of Deposit (CD) rates?

A: Yes, sites like Bankrate.com give daily updated information for CD, money market and saving account rates across from financial institutions across the United States.

Q: What do I need to know when shopping for a CD?

A: As a rule, the longer the term, the higher the interest rate. CDs with higher annual percentage yield rates give you a better yield on your deposited money. Be sure to check for minimum deposit amounts, account setup fees or any additional charges you may incur.

The biggest risk associated with traditional CD accounts is the early withdrawal penalty if you need to take your money our before the CD's maturity date. These penalties could easily eat up any expected gains and even grab some of your principal.

In general, CDs are a safe place to stash cash. They are insured up to $250,000 at banks by the Federal Deposit Insurance Corp. and at credit unions by the National Credit Union Administration.

In addition to traditional CDs, some institutions offer specialty CD rate options. These can include jumbo CDs, bump-up CDs, liquid CDs, callable CDs and zero-coupon CDs.

Find the best CD rates for you by considering the annual percentage yield (APY), term, minimum deposit required and don't forget to check for extra fees and note the early withdrawal penalty. Here are a few top picks:

Financial Institution	Rate	Term	Minimum Deposit
Mercantil Bank www.mercantilbank.com	3.15%	5 yrs	$500
Golden Sachs Bank USA www.marcus.com	3.00%	5 yrs	$500
PurePoint Financial www.purepoint.com	3.00%	3 yrs	$10,000
Capital One www.synchronybank.com	2.40%	1 yr	$0
KS State Bank	3.37%	5 yrs	$100,000

Q: I heard there are areas in the United States that will give you cash or other incentives to relocate to their city. Is this true?

A: Yes, several U.S. cities are offering major incentives to relocate right now. Here are some current offers:
Detroit, Michigan: Challenge Detroit offers paid fellowships for out-of-state college graduates to move, live, and work in the city. Every year, about 30 fellows are chosen to work with local companies and nonprofits, with the option to settle down in the ity after the 12-month-long program finishes.

Burlington, Vt.: Vermont is willing to pay new residents up to $10,000 toward moving expenses, as well as a computer and a co-working space for those who move to the state and work remotely.

Marne, Iowa: Marne officials are offering new residents a free plot of land in the town, which is located between Omaha and Des Moines. The free lots average 80 feet by 120 feet. New residents can use the land to build a conventional or modular home.

New Haven, Conn.: New Haven offers up to $80,000 in incentives for new homeowners, including $30,000 for energy saving home upgrades; $10,000 in interest-free loans for first-time buyers to use as a down payment; and $40,000 for college tuition to any in-state college for kids who graduate from New Haven public schools.

North Platte, Nebraska: If you relocate for a job you can receive up to $10,000 in hiring incentives.

Baltimore: The Buying Into Baltimore program offers $5,000 to those relocating anywhere in the city. For those who also work in the city, they'll throw in another $5,000 toward a first home. For those who buy a fixer-upper through the city's Vacants to Value Booster program, they'll receive up to $10,000 to purchase a vacant home and renovate it.

Harmony, Minn.: The city is offering up to $12,000 in cash for new residents who decide to build a home there.

Hamilton, Ohio: The Ohio metro is offering up to $5,000 to new residents toward their student loans. Applicants are required to then live in the city's urban core and show proof of employment in the greater Hamilton area.

Ludington, Mich.: Small-business owners may be lured to Ludington's annual contest that awards an entrepreneur with $50,000 for their startup idea. The winner of its Momentum Business Plan Competition is then required to locate their business to Mason County.

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