

The Allied Perspective



allied financial
partners



YOUR PARTNER FOR CPA, FINANCIAL
AND PAYROLL SERVICES



Front to back: **Thomas M. Tette, CPA**
and **Kenneth E. Ingersoll, CPA**

FROM THE PARTNERS *Happy Holidays 2014*

Allied would like to take a moment to thank all of those financial services clients that responded to our satisfaction survey. We have been spending the last few months pouring through the data and we will be implementing several changes to our financial services department as a result of your thoughtful feedback. Those of you that responded with your names may be contacted in the coming weeks to discuss the specifics of your comments. We will also be sending out a letter to all of our clients illustrating the positive changes that we will be implementing throughout 2015 as we continue to refine and improve our growing financial services department. Thank you for your feedback and we are very excited about what's to come!

A special thanks to: Sara M., Sue H., Joan B., Tim C. and Mihai V. Each have been randomly selected as the winners a \$100 pre-paid debit card. Debit cards will be mailed to you just in time for Christmas!

New location. Our Chili office has moved to Rochester. After many years in the same location on Chili Avenue, we relocated to a new, modern office in Rochester this past November. Our new address is **100 White Spruce Blvd., Rochester, NY 14623** located in Southview Commons convenient to the city, Brighton, Henrietta and the I390/590 split.

Stay tuned for upcoming seminars. Throughout the course of 2015, we will be hosting this February, May, July and November seminars covering such topics as long term care, Social Security, retirement distribution and college planning. Exact dates and times still to be determined. Stay tuned via email and mail for more information.

From the team at Allied Financial Partners, we wish you and your family a safe and happy holiday season. Thank you for the confidence you place in us and we look forward to doing business with you in the New Year!

Sincerely,

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TAX TALK:

How the Affordable Health Care Act will affect income tax

With 2014 coming to a close, the IRS is bracing for an avalanche of questions about taxpayer reporting on 2014 returns and, if liable, any shared responsibility payment. For many taxpayers, the best approach is to be familiar with the basics before filing your returns.

The most significant change that took effect in 2014 is the Individual Mandate. Here are the basics to understanding the new tax related provision in the Affordable Care Act that may directly affect you.

As of January 1, 2014, most Americans were required to have minimum essential health insurance. For most taxpayers who had employer-provided insurance during the year, or for those who purchased coverage through a private exchange or directly from an insurance company, this means little or no changes to your taxes. You may receive IRS Form 1095-B and/or 1095-C from your employer or insurance company this January, but you don't need to report that information on this year's tax return.

If you purchased insurance in 2014 from a marketplace, you'll receive IRS Form 1095-A this January. If you received the advanced premium credit in 2014, that information will be on Form 1095-A. You may receive a bigger tax credit or have to pay back some or all of the credit if your actual income is more or less than the amount you estimated at the time you purchased coverage from your marketplace.

If you don't have coverage or qualify for an exemption, you may have to make an Individual Shared Responsibility payment when you file your income tax return. For 2014, generally, the payment amount is the greater of 1% of your household income above your filing threshold or \$95 per adult (\$47.50 per child) limited to a family maximum of \$285. If you were uninsured and plan to claim an exemption in order to avoid the penalty, go to www.healthcare.gov/exemptions to see if you need to file an exemption application.

THUMBS UP: The Client Corner



Recognizing the accomplishments of our clients is important to us. We are proud to work with innovative people and companies in the community.

- Kudos to **Connie Ehindero**, a member of DRAW, a women's group of 10 artists. Women from DRAW painted four chairs, and they recruited other local artists to participate with the "Take a Seat, Make a Difference" project, including some students at School of the Arts. The chairs were featured at Rochester Public Library's Rundel Memorial Building downtown then auctioned off to benefit Friendship Children's Center, a nursery school on Fernwood Avenue in the city that used the old chairs for decades. Connie was featured in *Rochester Magazine* for her work.

- Thumbs up to **George Kotlik**. George was recognized in the *Daily Messenger* for his long-tenured role as Judge for the Grape Pie Contest during the Naples Grape Festival this past September.

We are always looking for client honors and news to share. If you or your business has received an honor or recognition and you would like to be featured in our next newsletter, please contact **Teresa Solano** at tsolano@alliedfp.com or (585) 410-6733 x123.

Be sure to complete and mail your exemption application as soon as possible because processing may take several weeks. If your application is accepted, you'll be issued an exemption certificate number (ECN). Since you must report your ECN on your tax return, don't wait to apply. This could delay processing of your tax return and your tax refund. For more information on Affordable Care Act tax provisions visit the IRS website at www.IRS.gov or contact us today.



EMPLOYEE SPOTLIGHT: *Welcome to the Team*



Lori Jansen
Accounting Manager

Meet **Lori Jansen**, Accounting and Audit Manager. Lori has over 20 years of accounting experience. A graduate of Nova Southeastern University in Ft. Lauderdale, Florida, Lori has a Bachelor of Science degree in Accounting and is a licensed CPA in New York State. She is a member of American Institute of Certified Public Accountants (AICPA) and New York State Society of Certified Public Accountants (NYSSCPA), where she served as past president for the Southern Tier chapter.

As Accounting & Audit Manager, Lori will oversee the accounting staff while managing client relations and business development. "I am honored to be part of the Allied team and look forward to further developing the accounting and auditing practice of the firm," says Lori.

"We are pleased to welcome Lori to the Allied team. Her experience and background will be integral to the continuing growth of our firm," added Thomas M. Tette, partner. Lori is originally from Binghamton, NY, and she and her family are now residents of Spencerport, NY. Lori has one son, Michael, who is a high school freshman, and a wrestler for Spencerport. Outside of the office, Lori plays, coaches and is co-captain of the Finger Lakes Lunachicks, a women's flat track roller derby team in Lyons, NY.

Greg Netherwood joined Allied Financial Partners as Assistant Payroll Supervisor with nearly nine years of payroll and HR experience. Greg earned his associates degree in Communications from Finger Lakes Community College, and worked for a short time right out of college at WROC-8 in Rochester. However, TV just wasn't Greg's style. He then started working in the payroll field for his father, who was a CPA in Geneva, NY, for almost 25 years. From there, Greg transitioned his skills into positions at Paychex and HR Works before making the leap to Allied.

Currently, Greg resides in Shortsville with his girlfriend and son. A bit of a thrill seeker in his spare time, Greg is a stock car driver at Canandaigua Motorsports Park and Yates County Speedway. He is also the owner of the "monster" truck that you see parked outside of the Victor office. Greg is very excited to be part of the team and is passionate about growing the payroll side of the business.



Greg Netherwood
Asst. Payroll Supervisor

We are pleased to welcome **Sasha Joslyn** as Payroll Specialist. Sasha grew up in Canandaigua and is a graduate of Finger Lakes Community College with an associates degree in business administration. She continued her education taking courses in supervision, marketing, and business planning, as well as obtaining her life, accident and health insurance licenses.

Sasha joined Allied with a background in finance and customer service previously working at Canandaigua National Bank and Relph Benefit Advisors. When she is not at work, Sasha is furthering her education by taking online classes, spending time with her husband and two dogs, and enjoying long hikes and road biking. Sasha is very excited to join Allied Financial Partners and hopes that her background in customer service and finance will be an asset to maintaining lasting customer relationships.



Sasha Joslyn
Payroll Specialist



AGING WITH DIGNITY

by David A. Younis, CFP®, Director of Financial Services



David A. Younis, CFP®

Aging with dignity is a topic that seems to be one of the biggest issues facing our clients today, especially those who are on the precipice of retirement or newly retired. Most people are typically concerned about four things: the type of care they will receive, where it will be received, ensuring that they are not burdening their family and how the costs will be covered. This article offers some context for this complex topic and its potential impact on financial planning needs.

But first, it's important to mention that long-term care planning is not the same as buying long-term care insurance. Now, let's start to understand the realities when considering how to plan for long-term care needs:

- ▶ 70% of people turning age 65 can expect to use some form of long-term care during their lives.¹
- ▶ Women make up around 80% or more of all nursing home residents.²
- ▶ Four in 10 individuals will need care for 2 or more years.³
- ▶ In 2010, 40 million people were age 65 or older. This number is expected to jump to 88 million by 2050.²
- ▶ Neither your health insurance nor Medicare will cover the costs of traditional "custodial" care.³
- ▶ Less than 1/3 of Americans over the age of 50 have begun saving for their long-term care needs.¹

These statistics indicate many more individuals will use care than we would prefer to admit and that the number of individuals needing care will only increase based on demographic change. Further, most people are likely to be vastly unprepared for the costs.

Many people prefer to remain in their home for as long as possible. With careful planning, you can ensure the quality and standard of living you are accustomed to throughout your golden years. However in 2012, of those receiving benefits from long-term care service providers, only 56.7% were receiving care in-home.⁴ While many individuals believe that their family will provide them with care as they age, consider these startling facts facing your caregiver if they are a spouse, child or family member:

- ▶ 70% of working caregivers suffer work-related difficulties due to their dual caregiving roles.⁵
- ▶ Women over the age of 50 who provide care to parents lose an estimated \$324,044 due to the impact of caregiving. The impact stems from lost wages, pension benefits and reduced Social Security as a result of missed or leaving the workforce to care for a family member. The impact on men is similar although slightly reduced.⁵
- ▶ 40% to 70% of family caregivers have clinically significant symptoms of depression, with about a quarter to a half of these caregivers meeting the diagnostic criteria for major depression.⁵
- ▶ 17% of caregivers feel their health in general has gotten worse as a result of their caregiving responsibilities.⁵

You owe it to yourself to face this topic head on, if for no other reason than to protect your quality of life and the ones you care about most—your spouse, family and children. Understand this planning will impact more than the quality of life you maintain as you age, it will impact the lives of your loved ones.

So how can you plan to avoid the deleterious effects on your wealth and the health of your family caregiver? The first step is having a meaningful conversation about the options available to help provide for your care. It is important to know that there are solutions beyond simply purchasing long-term care insurance. Contact us today and schedule a time to discuss your unique financial planning needs.

¹ www.longtermcare.gov ² www.comparelongtermcare.org/insurance-stats ³ www.rwjf.org/content/dam/farm/reports/issue_briefs/2014/rjwf410654
⁴ www.cdc.gov/nchs/data/nsltcp/long_term_care_services_2013.pdf ⁵ <https://caregiver.org/selected-caregiver-statistics>