

# 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 5th Anniversary*

**Thank you for being part of our success!** This summer marks Allied Financial Partners' fifth anniversary. We would like to sincerely express our thanks to all of our valued clients, colleagues and staff for your business and support over the last five years. Since 2009, we added eight new positions to expand our payroll and accounting team to better serve our CPA, financial and payroll services clients.

Many of our clients have worked with our new Director of Financial Services, David A. Younis CFP®, and experienced the benefits of our unique and comprehensive approach to financial planning. As a firm, we continually strive to exceed our client's expectations and would like to get your feedback on these services.

In honor of our fifth anniversary, we have partnered with an objective third-party to help us evaluate your level of satisfaction with our financial services. If you have provided us with a current e-mail address, please keep an eye out for an electronic request to participate in this quality evaluation. We realize your time is valuable. As a thank you to those that complete the survey, participants will be entered into a drawing to win one of five \$100 cash debit cards.

**QuickBooks training.** Mark your calendar for Tuesday, August 26, at 10 AM for our upcoming QuickBooks training class. Call our office today for more information or to RSVP.

Again, thank you for all your years of support. We look forward to serving you for many more!

Sincerely,

**VICTOR OFFICE:**  
6536 Anthony Drive  
Suite B  
Victor, NY 14564

**CHILI OFFICE:**  
3313 Chili Avenue  
Suite B  
Rochester, NY 14624

**HONEOYE OFFICE:**  
5 Honeoye Commons  
P.O. Box 470  
Honeoye, NY 14471

**PHONE:** 585.410.6733  
**EMAIL:** tax@alliedfp.com  
**www.alliedfp.com**





## TAX TALK 2014

Tax code changes are never ending—forcing tax payers to stay on top of their tax game. We get asked all the time about new tax changes so we thought we'd highlight some of the top questions and answers covering 2014.

**Affordable Care Act Tax Changes.** How will the tax subsidy work? Most taxpayers purchasing insurance through the Marketplace will receive a subsidy known as the Advanced Premium Tax Credit. This subsidy may be a form of a direct government payment to the insurance company that lowers monthly premiums. If you qualify, you may choose how much advance credit payments to apply to your premiums each month, up to a maximum amount. If the amount of advance credit payments you get for the year is less than the tax credit you're due, you'll get the difference as a refundable credit when you file your federal income tax return. If your advance payments for the year are more than the amount of your credit, you must repay the excess advance payments with your tax return.

**Key deductions and changes for 2014.** One significant tax change is the increase in the threshold for deducting medical expenses for taxpayers who itemize. Under the previous rule, taxpayers could deduct medical expenses exceeding 7.5% of their adjusted gross income. In 2014, that threshold increased to 10%. The only exception will apply to people aged 65 and older and their spouses. These people may continue to use the 7.5% threshold until 2016.

This year, teachers also lost the above-the-line deductions of up to \$250 for unreimbursed educational expenses. Additionally, the higher-education tuition deduction expired at the end of 2013. Homeowners will also no longer be able to deduct mortgage insurance premiums as interest and energy-efficient home improvement tax credits expired as well.

Remember, we are here year-round to answer your tax questions. Don't hesitate to contact us to learn more.

## 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.

- Congratulations to **Cathy Christ**, owner of **Fowler's Canaltown Wine & Spirits**. Cathy received the "Business Person of the Year" award through the Spencerport Area Chamber of Commerce. She opened her business in 2010.
- Thumbs up to **Rick and Nancy Stewart**, owners of **Food at Fishers Station**. Their melt-away pancakes were featured in the Post Newspaper, *This is Rochester*, food section.
- Kudos to **Brian McGlynn** and **Genesee Media Corp.** Brian and Genesee Media were recognized in a Democrat & Chronicle article, *Building a Radio Empire...*
- Allied client, **Sweet Sammie Jane's**, was mentioned in a Democrat & Chronicle article, *The French Macaron Trend*. Sweet Sammie Jane's has 50 different flavors of macarons served on a rotating basis.
- Honeoye Client and teacher at Honeoye Elementary School, **Brenda Ward** received the "Golden Apple Award" from News 8 this past February.
- Owner of **Charbroil Family Restaurant**, **Thomas D. Tette**, was the recipient of The Brighton Chamber of Commerce's 2014 Building Pride in Brighton award.

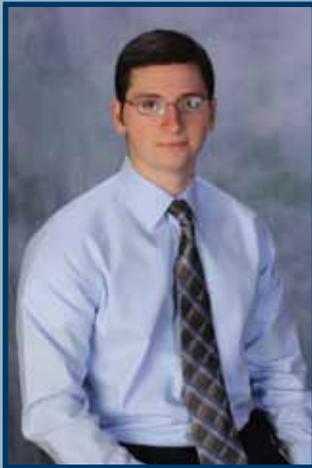
• Client, **Anthony Road Wine Co.**, hit one out of the park by teaming up with the New York Yankees and Major League Baseball to introduce New York Yankees™ Reserve Dry Riesling, a custom-version of its Dry Reising.

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](mailto:tsolano@alliedfp.com) or (585) 410-6733 x123.



## EMPLOYEE SPOTLIGHT: *Welcome to the Team*

Allied Financial Partners is pleased to announce we have added two new positions to the firm and expanded our payroll team. Join us in welcoming our new team members...Bradley J. Fantauzzo, Junior Accountant, Heather A. Lane, Office Manager, and Daniel J. Esford, Payroll Specialist.



Bradley Fantauzzo, Junior Accountant

As Junior Accountant, a new position to the firm, Brad will provide key operational support to the accounting and payroll departments by processing payroll and completing business accounting work. "I am excited to grow in the accounting and finance profession," adds Brad.

A Macedon native, Brad received a Bachelor of Science degree in Accounting from St. John Fisher College. While attending college, he completed an internship in Cost Accounting at Getinge USA. Outside of work, he enjoys watching the NFL and cheering for his favorite team, The Buffalo Bills. Brad also enjoys working outside.

"As we continue to grow, we need capable associates to service our clients. Brad is more than capable to handle these duties and his demeanor and background are a great fit for our team and our clients," added Thomas M. Tette, Partner.

A new position to the firm, Heather joined our team as office manager. Heather was affiliated formerly with Advanced Hearing Centers in Rochester for the past three years. A graduate of Bryant and Stratton College, she holds an associates degree in Administration.

Heather will be responsible for organizing and coordinating office operations and procedures in order to ensure organizational effectiveness and efficiency. "I am excited to bring my many skills to the Allied team and our clients," says Heather.

Heather grew up in Rochester and is very close with her family, including her younger brother. When not working hard she enjoys cooking, traveling, and taking her bulldog, Angus, to the many parks around Rochester.



Heather Lane, Office Manager



Daniel Esford, Payroll Specialist

An addition to the payroll team, Dan joins us as payroll specialist. In his role, he will help ensure accurate processing of our clients payroll, provide timely and accurate payroll information to client inquiries and participate in the efficiency of the overall department operations.

Dan earned his Bachelors of Science in Economics from Rochester Institute of Technology. This is his first job out of college and Dan is eager to develop his career with Allied Financial Partners. "I believe Allied will be able to help me accomplish my goal of growing my career in the financial world. I am looking forward to working with such a great company," adds Dan.



## FIXED INCOME IN THE CURRENT INTEREST RATE ENVIRONMENT

by *Dave Younis, CFP<sup>®</sup>, Director of Financial Services*



Dave Younis, CFP<sup>®</sup>

It seems with each passing year investment markets become more complex. Navigating these ever changing markets can be mind boggling—especially for the average investor. There is a tendency to give up or to ignore your portfolio in favor of maintaining blissful ignorance. However, from time to time we can foresee emerging trends and have the opportunity to review and make significant changes in our allocations. That's why we encourage you to consider the implications that a rising interest rate environment may have on your bond or fixed-income holdings.

Financial planning can be a complex endeavor, often times leaving us feeling skeptical of simple “rules.” However, within the fixed income world, there seems to be a reasonably consistent rule of thumb—during a period of falling interest rates, the value of bond holdings will generally increase. The opposite is also true—during periods when interest rates rise we tend to see the value of bond holdings decrease.

Traditionally, as they approached and transitioned into retirement, investors tended to allocate more dollars to fixed income. For the past 32 years, this was a reasonable way to become more conservative due to gradually falling interest rates. During this period, the value of bonds increased and investors benefited from the relatively stable interest payments they would receive. However; today, allocating more substantial portions of your portfolio to fixed income may not yield the same results that it once did.

For example, a 10-year treasury bond in 2013 with an interest rate of 1.86% ended the year at a rate of 3.04%<sup>1</sup>. For the same period of time, a leading bond benchmark, Spyder Barclays U.S. Aggregate Bond ETF (LAG), finished the year with a negative return at -2.13%<sup>2</sup>. At the time of writing, the Fed Funds Rate, the most foundational interest rate in our economy, sits at .25%. These numbers would indicate that we should not anticipate any further reduction in this rate. To the contrary, we expect that interest rates will begin to rise. The only questions that remain are whether future increases in interest rates will be gradual and over what timeframe they will occur. We hope that they will be orderly and gradual to give bond managers the ability to react appropriately.



What this example demonstrates is that while we should not shun fixed income entirely, we need to be thoughtful as to the types of bonds we want to incorporate into our portfolios. There are still many opportunities within the fixed income markets.

Now is a great time to review your portfolio to ensure it is allocated consistently with your other long-term objectives, as well as aligned your tolerance for risk and volatility. You've worked hard for what you have. Contact us today to schedule a review of your investments so we can help keep them working for you.

<sup>1</sup>[www.treasury.gov/resource-center/data-chart-center/interest-rates/pages/textview.aspx?data=yieldyear&year=2013](http://www.treasury.gov/resource-center/data-chart-center/interest-rates/pages/textview.aspx?data=yieldyear&year=2013) <sup>2</sup> [www.morningstar.com](http://www.morningstar.com)