

# LET'S TALK MONEY<sup>®</sup>

September/October 2022

## Team up to Create a Financial Strategy for Your Business

As you know, managing a successful business requires that you focus on all things financial. That's because the bottom line dictates almost everything you can or can't do to move your business to the next level. But creating a solid financial strategy takes time, something that may be in short supply for many business owners. That's why working with a professional planner can help.

### The Big Picture

An overview of your company's finances can start you on the right track toward growing your business. Reviewing revenue, assets, capital, inventory, etc., gives you a snapshot of how your business is performing.

Understanding the financial health of your business can show you which areas are thriving, and which areas may need attention.



### Why Use a Professional to Plan?

Having someone you trust to take over your business's finances will allow you to focus on growing your company. A professional planner will know the latest trends that affect how your business is run and help you find ways to cut costs that you may not have considered. Arguably, the most important task a planner can undertake is working with you to create a strong financial strategy that will move the business forward.

### First Steps

Your first steps should include creating a balance sheet and a cash flow statement. A balance sheet lists your business's assets, debts and liabilities. Subtracting your liabilities from the total value of your assets shows you the net worth of your business.

A cash flow statement summarizes the sources and uses of cash in your business. Using data from the balance sheet and cash flow statement can help you project

future earnings and determine where you want the company to be in the future. Together with your financial professional, you'll then be able to formulate a plan for growing your business and the steps you'll need to take to work toward your goals.

A financial strategy should also include tax and retirement planning and options for managing risk. Your financial and tax professionals can be a valuable resource.



**Karen Petrucco**  
Account Manager

**LTM Client Marketing**  
45 Prospect Ave  
Albany, NY 12206

**Tel:** 800-243-5334  
**Fax:** 800-720-0780  
sales@ltmclientmarketing.com  
www.ltmclientmarketing.com

I am committed to helping my clients achieve their financial goals for themselves, their families and their businesses by providing them with strategies for asset accumulation, preservation and transfer.

**Small Business Version**

**LTM Client Marketing**  
helping financial professionals stay connected

*The sender and LTM Marketing Specialists LLC are unrelated. This publication was prepared for the publication's provider by LTM Marketing Specialists LLC, an unrelated third party. Articles are not written or produced by the named representative.*

# What Do You Know About Life Insurance?

According to research, 42% of households would face financial hardship within six months should a wage earner die; 25% would suffer hardship within one month.\*

September is Life Insurance Awareness Month, an annual campaign to educate people about the importance of life insurance and its ability to provide financial security for families. LIMRA's\* 2021 Life Insurance Misconceptions Barometer study looked at some of the myths people believe about purchasing life insurance.

## It's Too Expensive

More than half of study respondents overestimated the price. The annual cost of a policy for a healthy 30-year-old is around \$160, but 44% of millennials estimated it to be \$1,000.

## Workplace Life Insurance is Enough

29% of Americans believe they get enough coverage through their work. But median employer coverage is only \$20,000 or one-year's salary.\*\*



## I Won't Need it Until I'm Older

Life insurance is far less expensive when you're young and healthy. Nearly four in 10 people said they wished they had purchased a policy at a younger age.

\*LIMRA is a worldwide research, consulting, and professional development organization. \*\* <https://www.trustage.com/learn/inside-insurance/>

# FSA and HSA: Alike but Different

Health Care Flexible Spending Accounts (FSA) and Health Savings Accounts (HSA) allow you to pay qualified out-of-pocket medical expenses with tax-free dollars.

While both accounts offer tax benefits, they have some major differences.



## Flexible Spending Account

A Flexible Spending Account (FSA) is a savings account established for you by your employer to pay healthcare expenses, such as doctor copays, vision and dental expenses, and prescription drug costs, for you and your dependents. Contributions are deducted from your pay throughout the year, but the full amount is available to use immediately. For 2022, the annual contribution limit is \$2,850. Any money left in the account at the end of the year is forfeited unless the plan has a grace period or a rollover feature. FSA funds don't earn interest, and, if you leave your job, any money remaining in your account is returned to your employer.

## Health Savings Account

Like an FSA, HSAs let you make tax-free contributions and withdrawals to pay healthcare expenses. But, to contribute to an HSA, you must be covered under a high-deductible health plan (HDHP)\* You can't spend more than you've contributed to the account, but you can ask for reimbursement later on. Contribution limits in 2022 are \$3,650 for individuals (\$3,850 in 2023) and \$7,300 for families (\$7,750 in 2023). Funds roll over from year to year, and the account may be portable if you change jobs. Some HSAs offer investment options but consider carefully before you decide to invest your healthcare savings.

\*An HDHP is a plan with maximum out-of-pocket amounts of \$7,050 for individuals and \$14,100 for families.

# Review Your Plan During Medicare Open Enrollment

Medicare's annual open enrollment period runs from October 15 through December 7. If you're covered under Medicare, open enrollment provides an opportunity to review your current healthcare coverage—preferably with a professional—and make changes, if warranted.

## During open enrollment, some things you can do include:

- ❖ Switch to a different Medicare Advantage plan with lower premiums and copays or one with better coverage for your health concerns.
- ❖ Change from a Medicare Advantage plan to original Medicare, or vice versa. Keep in mind, though, that Advantage plans can offer drug, dental, and vision coverage that isn't included in original Medicare or Medigap plans. Advantage plans may also offer extra benefits, such as health and wellness services, hearing coverage, fitness programs, transportation to medical appointments, and custom plans for certain conditions.
- ❖ Switch from a Medicare Advantage plan to a Medigap plan. Medigap plans generally cover you throughout the U.S. and abroad and may be appropriate if you travel frequently within or outside the country. However, if you didn't enroll in a Medigap plan when you initially signed up for Medicare, any pre-existing condition may disqualify you now. Make sure your application is accepted by the insurer before you switch plans.
- ❖ Medicare Part D provides coverage for prescription drugs. If you aren't covered under a Medicare Advantage plan, you can add Part D coverage during open enrollment. You can also drop Part D coverage if you no longer need it.

## FAFSA: The Sooner the Better

If your child will attend college in the fall of 2023, now is the time to get started with the process of applying for financial aid. The FAFSA—Free Application for Federal Student Aid—becomes available on October 1.

Although the federal filing deadline isn't until June 30, filling out the application early can prevent your child from missing out on aid that's already been awarded. Colleges and states may have their own FAFSA deadlines.

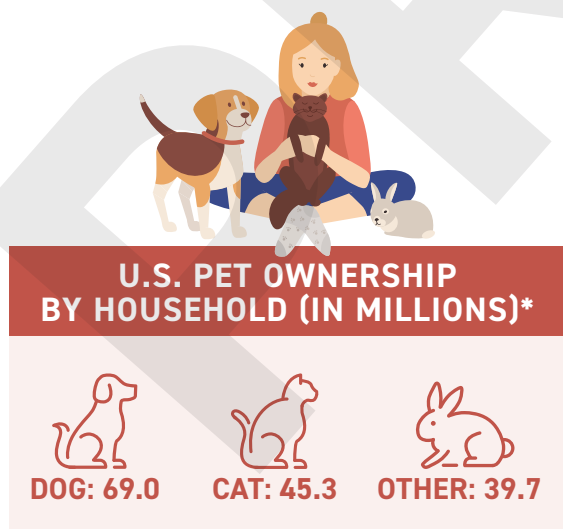
## Documents to Gather Before You Start

- ❖ Student and parent Social Security numbers
- ❖ Alien registration number if you're not a U.S. citizen
- ❖ Student's driver's license number
- ❖ Parent and student federal tax returns
- ❖ Records of any untaxed income, such as child support
- ❖ Checking/savings account balances, investments, real estate (other than your home) and business or farm assets
- ❖ List of schools where the FAFSA should be sent


You can access the FAFSA at [studentaid.gov](https://studentaid.gov).

# Pet Insurance: Growing in Popularity


Although pet insurance started in Sweden a century ago, the first pet insurance policy in the U.S. was sold in 1982. By 2020, the U.S. pet health insurance sector reported written premiums totaling \$1.99 billion.\*



BASIC ANNUAL VETERINARY EXPENSES*		
	DOG	CAT
ROUTINE	\$242	\$178
SURGICAL	\$458	\$201



PET INSURANCE ANNUAL PREMIUMS**		
	DOG	CAT
ACCIDENT ONLY:	\$218	\$134
ACCIDENT/ILLNESS:	\$594	\$342



\*American Pet Products Association's 2021-2022 National Pet Owners Survey

\*\*North American Pet Insurance Association



# Remote Workers: Part of Your Team

Because you don't see them every day, you may forget they're an integral part of your team. But remote workers need meaningful interaction with managers and staff just as much as employees who are in the office. A little effort is all it takes to ensure that people who work from home are engaged with their jobs and feel part of the group.

## Connection is Key

Since they're not in the office every day, employees who work from home may feel disconnected from the company. You can help by providing opportunities for remote workers to interact with their coworkers in the office. Include remote employees in staff sessions through video conferencing or Zoom meetings. If possible, design social media intranet sites to bring teams together.

## Goals— A Driving Force

Career growth is important to employees—and increases retention. While in-office staff are exposed to a variety of positions within the company, remote workers may not know what's possible. An internal career site that showcases potential job opportunities can help. Additionally, managers should make the discussion of career goals and personal growth part of the onboarding process and every performance review.

## In-Office Experience

Bringing remote employees into the office can go a long way toward integrating them with in-office staff. Consider conducting onboarding training at your business location so employees who'll be working from home can meet in-person team members and other employees. Conferences and career development training present other opportunities for remote workers to come to the workplace.

## A Job Well Done

Praise for exemplary work is important to morale, but it can be difficult for employees who aren't in the office to talk about any successful outcomes they've had on the job. Make it a point to regularly check in and encourage remote employees to share their successes with you.

## Stressful for Workers

Working in isolation from the rest of the team can have undesirable consequences. Monitor remote employees for signs of burnout, unhappiness and despondency that could affect job performance and impact retention. Happy employees are important to the company's bottom line.

*This publication is not intended as legal or tax advice. All individuals, including those involved in the estate-planning process, are advised to meet with their tax and legal professionals. The individual sponsor of this newsletter will work with your tax and legal advisors to help select appropriate product solutions. We do not endorse or guarantee the content or services of any website mentioned in this newsletter. We encourage you to review the privacy policy of each website you visit. Limitations, restrictions and other rules and regulations apply to many of the financial and insurance products and concepts presented in this newsletter, and they may differ according to individual situations. The publisher and sponsor do not assume liability for financial decisions based on the newsletter's contents. Great care has been taken to ensure the accuracy of the newsletter copy prior publication; however, markets and tax information can change suddenly. Whole or partial reproduction of Let's Talk Money® without the written permission of the publisher is forbidden.*

©2022, LTM Marketing Specialists LLC

## We Value Your Input...

Your feedback is very important to us. If you have any questions about the subjects covered here, or suggestions for future issues, please don't hesitate to call. You'll find our number on the front of this newsletter. It's always a pleasure to hear from you.



## ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

June 10, 2022

Reference: **FR2022-0519-0129/E**

Link Reference: FR2022-0330-0103

Org Id: 23568

1. LTM 2022 SeptOct - Business  
Rule: FIN 2210

The communication submitted appears consistent with applicable standards.

Reviewed by,

Jeffrey R. Salisbury  
Principal Analyst

hrm

*Please send any communications related to filing reviews to this Department through the Advertising Regulation Electronic Filing (AREF) system or by facsimile or hard copy mail service. We request that you do not send documents or other communications via email.*

**NOTE:** *We assume that your filed communication doesn't omit or misstate any fact, nor does it offer an opinion without reasonable basis. While you may say that the communication was "reviewed by FINRA" or "FINRA reviewed," you may not say that we approved it.*