

Designed for Business Owners

THE FINANCIAL EDGE

October 2015



Living Life Upside Down

Personal comments by Mary

My life is made up of habits. I have a routine for the everyday tasks. Every morning I brush my teeth, make my bed, put the right shoe on first and grab breakfast as I walk out the door. I developed this routine over the years. My habits reduce my time dealing with the mundane decisions of life. But once established, it is difficult to step away from these habits.

Did you know that Mark Zuckerberg wears a T-shirt and jeans every day? When asked why Mark replied "I really want to clear my life to make it so that I have to make as few decisions as possible about anything except how to best serve this community," according to Business Insider.

Is your set of current habits helping you achieve what you desire? If not, what happens if we turn life upside down? Shake things up a bit.

In early August I finally got fed up with my current health habits. I was making an effort to lose weight and the opposite was happening, I kept gaining. I was starting to feel old; my knees were hurting and not cooperating. My son told me that it was okay if I gained weight because I was getting older. NO I didn't want to accept that. I finally had enough. I stubbornly admitted that my strategy was not working! I needed to turn my life upside down. I joined a personal fitness program. My alarm clock now jars me awake at 6:00am twice a week. I gave up my morning reading time. I now run on a treadmill for 28 minutes, and then work out for 25 more minutes with weight lifting exercises. I keep smiling through every ab crunch, plank, and whatever type of torture they demand of me. I am dripping with sweat at least 3 times a week!

I am also learning to be patient. The results are coming slow. The pain in my knee has gone. Every day I feel the muscles complaining, just slightly, and my clothes are fitting better. This has turned my life upside down.

Mary Guldán-Lindström



KEEP THE SCARY MONSTERS AWAY – GAIN CONTROL OF YOUR PERSONAL TAX SITUATION!

No one likes to find tax surprises on April 15, but you can prevent that from happening. As a business owner, you are under unprecedented tax, regulatory and financial pressure – making every decision you make more complicated and more challenging. If your income is over \$200,000 or your income is dramatically different than last year – now is the time to review your personal tax situation. Time to see how the new tax laws will affect you and give you time to do something about it.

We can help by preparing a tax projection and a plan to reduce them, just contact Mary to get the ball rolling.

The Book Review

Title: The Membership Economy

Author: Robbie Kellman Baxter

Topic: Marketing/Business Models

Easy to Read: \$\$\$\$ (4 out of 5 dollars)

Applicable to small business: \$\$\$\$\$ (5 out of 5 dollars)

Summary: Great analysis and overview of what is being offered and how to provide ongoing value to your customers or members. Focus is on the customer, increasing the value and extending the life time value.

My recommendation: Thorough introduction to moving from a one-time sale customer to the reoccurring sale customer. Great examples of loyalty programs, traditional membership business, non-profits, associations and how small business and consultants are using membership benefits.

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Estate Planning—Are You Prepared For Digital Data?

By Jessica Liska

Twenty years ago, estate planning required an individual to focus on physical and financial assets. Now with the increase in technology and the enhancements to the digital world, estate planning now needs to incorporate physical assets, financial assets, medical information, critical documents, and access to digital data. Those surviving need a roadmap as to where your photos, banking records, credit card access, etc. are stored and how to access them.

The digital world is relatively new for estate planning and should be treated with the same care as a physical or financial asset would. During the estate planning process, the individual needs to determine who can have access and how it they want it used. It is critical to record the name of the website, the username, and the password required to access the information.

When an individual passes away and has digital data, that information is not accessible unless explicitly indicated or prior access was granted. Many companies are set up to archive or delete the data based on their privacy policies. This may lead to an expensive legal battle for the rights to access an online account.

Have you considered digital data in your estate planning? It's never too early to start the process.





The Cost of Free

By Mary Guldán-Lindstrom, CPA

Does free even have a cost? According to the Merriam-Webster dictionary the definition of cost is "the price of something; the amount of money that is needed to pay for or buy something; something that is lost, damaged or given up in order to achieve or get something."

Accountants have an obsession with costs. We classify them; we group them, we analyze them and have a multitude of names for them. However rarely do we consider free to have a cost, but if we look deep enough we will discover what's hidden.

Before cable, Television viewing was free - all you needed was a TV and an antenna. That technology created a cultural change, whereas now generations of "couch potatoes" are collapsed on the couch being entertained by watching endless programs. Eventually we were conditioned to pay \$100 to \$200 a month for cable programming.

Currently Facebook is free – all you need is a computer and Internet access. This is another cultural change which provides a social platform to share with a vast multitude of friends. Based on the information we post on Facebook our demographics, our preferences and even our personal information can be gleaned. By participating we become part of an audience in which they can sell slice and dice information and sell to advertisers.

Free membership - Linked In is free for most of us. Those that don't pay - provide an immense data base for sales people and recruiters. The paid memberships offer a higher level of search to help locate future employers and future customers.

Free labor - this is one of my favorites. When a friend asks for help moving, they can expect an invite to help you move. Based on the level of friendship, the price is minor.

Free samples are a direct marketing tactic that provides potential customers a taste of what they could have if they purchase. Grocery stores, warehouse stores, ice cream shops and bakeries are known for this marketing tactic.

Free food is a great way to capture people's attention. Financial planners are well known to invite potential clients to a dinner in exchange for their time to listen to their pitch.

Free trial period - Have you ever signed up for something for 30 day trial period, then find your credit card getting dinged for the following months? You failed to notify them to cancel your trial period to prevent future charges.

What is the cost of free? Where an actual product is involved there is the direct product cost to produce the items that are given away. In some cases this is a very cost effective way to gain new customers. For other items you open yourself up to a direct sales experience or a future commitment.

So what is the cost of free? It could be a future financial commitment, could be lack of privacy, could be a future change in habit, etc. In many cases the price paid for something that is disguised as free is not enough to bother us. However before you accept the next "Free" item, consider what they are asking for in return.

Our Clients Say It Best...

You guys Rock! Thanks for helping us get started with our new month end reporting system. You made it very easy for our staff to get going with it. Then when we lost our bookkeeper with no notice. You and your staff jumped right in and made sure we had what we needed to keep moving forward. Thanks for all your help.

**Rich Rothmund,
TAmotorsports inc.**

*Your referrals are
appreciated and will be
treated with utmost care!*

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Did You Know About... Why We Have Halloween Costumes

The custom of guising at Halloween in North America is first recorded in 1911, where a newspaper in Kingston, Ontario reported children going “guising” around the neighborhood. In 19th century America, Halloween was often celebrated with costume parades and “licentious revelries”. However, efforts were made to “domesticate” the festival to conform with the Victorian era morality. Halloween was made into a private rather than public holiday, celebrations involving liquor and sensuality de-emphasized to celebrate the festival.

In the 1930s they started mass-producing Halloween costumes for sale in stores as trick-or-treating became popular in North America. Costumes are traditionally those of monsters such as vampires, werewolves, zombies, ghosts, skeletons, witches, goblins, trolls, devils, etc. or in more recent years such science fiction-inspired characters as aliens and superheroes.

My boys have not given up their costumes. They have gone from scary to superheroes. What are you going as this year?



2005 MY BOYS - THEN



2014 MY BOYS - NOW

- Information from Wikipedia

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