

SOLUTIONS

July ♦ 2013

Dear Clients and Friends

LaSalle University School of Business Honors Bill St. Clair

Professionally Speaking

Linda A. Nitterauer, CPA/ABV, was accepted as a member of the PICPA Business Valuation Committee. An accredited expert in Business Valuation, Linda recently presented seminars on this topic for the Center City Proprietors Association and the Montgomery County Chamber of Commerce.

James F. Knight, CPA, presented a seminar on the Use & Occupancy Tax at the Hearth, Patio & Barbecue Association conference, held on June 4 in Valley Forge, PA.

On July 25, Michael E. Mostochuk, CPA, will present a Lunch 'n Learn on Fiduciary Responsibility for the Montgomery County Chamber of Commerce. Find more details in this issue.

CONGRATULATIONS

After successfully completing the Arts & Business Council of Greater Philadelphia's prestigious Business on Board® leadership development program, Frances Sperling Feldbaum, CPA, MBA, is now serving on the Board of Directors of BalletX, Philadelphia's premier contemporary ballet company.

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(l to r) Paul Brazina, CPA, Dean of the LaSalle University School of Business; William St. Clair, IV, CPA; Jeannie Welsh, PhD, Chair, Department of Accounting, LaSalle University.

On May 2, 2013, the LaSalle University School of Business honored **William "Bill" St. Clair, IV, CPA**, with *The Michael A. DeAngelis Award* at its 47th Annual Accounting Awards Dinner, sponsored by the Beta Alpha Accounting Honors Society and the Accounting Association. This distinguished award is presented annually to select alumni in recognition of their outstanding professional achievements.

Commonwealth wins J.D. Power Award for third consecutive year

J.D. Power & Associates, trusted worldwide for its quality and satisfaction surveys, has once again ranked Commonwealth Financial Network highest in overall satisfaction among independent advisor firms. The firm also earned high scores in the firm performance, people and job duties factors, according to results released on April 11, 2013. This is good news for our clients, as Commonwealth is the broker/dealer for our wealth management affiliate, CPA Financial Group, LLC.

Bill received his Bachelor of Science degree in Accounting and Bachelor of Arts in Economics from LaSalle University in 1980. Six years later, he founded the company that has become a hallmark of high quality, personal service: for more than 25 years, St. Clair CPA Solutions has been recognized by clients and local media, including *The Philadelphia Inquirer*, *Philadelphia Business Journal*, *Courier-Post*, and *The Times Herald* newspapers, as one of the region's leading firms for accounting, auditing, and tax services.

"My partners and I are proud to have built an organization that is consistently ranked among the best by our clients and peers in the accounting industry," says Bill, "but we are equally proud to have been named a *Philadelphia Inquirer Top Workplace* in both 2012 and 2013. We remain committed to exceeding client expectations, retaining outstanding personnel, and promoting the well-being of our profession and our community, including the many fine educational institutions. I am very grateful to LaSalle for this recognition, and look forward to welcoming more LaSalle accounting graduates into our firm."

Our partnership with Commonwealth, the largest, privately held, dually-registered independent broker/dealer and investment adviser in the United States, enables the financial professionals of CPA Financial Group, LLC, to provide clients with objective advice, free of bias or conflict of interest.

As a registered representative, CPA Financial Group, LLC, is required by the Financial Industry Regulatory Authority (FINRA) to

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Retirement Checklist: 5 Steps to Help You Get Back on Track

Presented by Jamie L. DiRenzo, CIMA®, AIF® ♦ Manager, Investment Advisory Services, CPA Financial Group, LLC, a subsidiary of St. Clair CPA Solutions

Although the painful recession may be in our rearview mirror, the aftermath may have you concerned that you won't have enough money to retire when the time comes. But you can still take control of your retirement, despite market volatility and an uncertain economic climate. It all boils down to having a plan—and sticking to it.

Creating a checklist can help improve your chances of attaining retirement readiness. These five key steps can help jump-start your planning or get you back on track. And, remember, when you participate in your workplace retirement plan, you've already taken a step in the right direction.

ACTION STEP	CONSIDERATIONS
1. Review your contribution amount.	<ul style="list-style-type: none"> ♦ Increase your contribution rate to boost your retirement savings. (In 2013, the IRS deferral limit for defined contribution plans is \$17,500.) Even a small increase now can make a difference later. If your employer matches contributions, be sure to contribute enough to take full advantage of the match. ♦ Direct any "newly found" assets toward retirement. For example, if you pay off a loan or pay down credit card debt, take the amount you were paying and redirect it to your retirement account. The additional contribution could have a positive impact on your savings. ♦ If you are 50 or older, make an additional catch-up contribution (up to \$5,500 into a defined contribution plan in 2013).
2. Review your retirement progress and your lifestyle.	<ul style="list-style-type: none"> ♦ Use the tools available on your plan's website to establish a savings target, and monitor your progress toward it. ♦ If it looks as if you have a savings gap, you may need to consider working longer. If you're in good health and have the option to continue working, you may be surprised at how much you can accomplish by postponing retirement—even for just two or three years. ♦ Review your spending habits, and make small lifestyle changes. It's essential to get back to the basics: save more, spend less, and get out of debt. Create a line item in your budget for "retirement savings," and "pay" it every month.
3. Review and rebalance investments.	<ul style="list-style-type: none"> ♦ Check your portfolio regularly—at least once or twice a year—and make changes to keep up with your goals. As you get closer to retirement, you should check it more often. Has your tolerance for risk changed? If so, you may want to reduce your exposure to stocks. ♦ As markets rise and fall, asset allocations tend to shift. For example, a portfolio that has been divided evenly between stocks and bonds could have become unbalanced as a result of market activity. It may be time to evaluate your current positions and rebalance back to your original allocation.* <i>*Diversification does not ensure a profit or protect against a loss.</i>
4. Determine an appropriate withdrawal strategy, and consider postponing distributions.	<ul style="list-style-type: none"> ♦ Having a defined withdrawal strategy is important, so you don't outlive your assets. You may even want to postpone withdrawals. Why? Because, even after you retire, you can boost the long-term income power of your tax-advantaged accounts. You may want to tap your taxable investments first and postpone withdrawals from your workplace plans and traditional IRAs for as long as you can—up to age 70½. ♦ Although there is a risk of losing additional principal by delaying retirement, for each year that you postpone withdrawals on your tax-advantaged accounts, you get another year of tax-deferred earnings potential. That might not seem like a big deal early in retirement, but the compounding effect over the course of a long-term retirement can be considerable. Remember, today's life spans and retirements are longer.
5. Don't go it alone—consult a financial advisor.	<ul style="list-style-type: none"> ♦ Uncertain economic times sometimes lead to poor decision making. It's often at the turning points—both at market highs and lows—that individual investors make the biggest mistakes, such as selling out when prices are low. Working with a financial advisor can provide an emotional buffer and help you stay focused on long-term goals. ♦ A financial advisor has the knowledge and experience to help you stay on track, regardless of what's going on in the markets. Coaching and support from an experienced professional can provide valuable perspective and help you make decisions with confidence.

Following these steps can bring you closer to having a solid retirement plan and sticking to it. Our financial advisors can assist you by reviewing your long-term goals and asset allocation,

and helping you keep your portfolio on track to reach your retirement goals. Please call us at **610.862.1998** or **856.482.5600** to arrange an appointment.

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Commonwealth wins J.D. Power Award for third consecutive year (cont.)

affiliate with a broker/dealer to process investment transactions on your behalf. And because providing investment advisory services is an important part of how we help our clients with integrated, comprehensive financial services, the firm is also required to associate with an investment adviser registered with one or more states or the Securities and Exchange Commission (SEC). Commonwealth, however, has a more than 30-year history of exceeding what's merely required and doing whatever it takes to help independent advisors provide their clients with the best possible guidance and the prompt, personal service they expect and deserve.

By selecting Commonwealth as its broker/dealer, CPA Financial Group, LLC can offer clients:

- ◆ Access to a comprehensive selection of investment choices and truly objective research, allowing your advisor the freedom to make recommendations based solely on what's in your best interest, free from proprietary product pressures. From stocks, bonds, and mutual funds; unit investment trusts; real estate investment trusts; and fixed and variable annuities to managed investment programs and separately managed

accounts; life and long-term care insurance; limited partnerships; CDs and money market accounts; retirement plans; alternative investments; and more, you have access to whatever you need to pursue your financial objectives.

- ◆ A technology platform that makes it easy for your advisor to manage your portfolio and maintain a comprehensive, holistic picture of your overall financial life. Through your advisor's website, you can also have access to your portfolio and see much of the same information your advisor sees.

At St. Clair CPA Solutions, we believe that by offering clients the opportunity to have their tax accountants (at St. Clair CPAs, P.C.) and their investment advisors (at CPA Financial Group, LLC) communicate and collaborate, we can help clients get a comprehensive understanding of their financial situation and the integrated strategies that may help them achieve their goals, and preserve and grow wealth.

If you have any questions about how our relationship with Commonwealth Financial Network benefits you, or would like to learn more about the investment, insurance, and wealth management services available to you through CPA Financial Group, LLC, please contact us.

Register Now for Summer Lunch 'n Learn Event

If you serve on a Board of Directors or administer a qualified retirement plan, plan to join us for this important educational event, presented in cooperation with the Montgomery County Chamber of Commerce:

Fiduciary Responsibility

Michael E. Mostochuk, CPA, St. Clair CPA Solutions

Thursday, July 25 ♦ 11:30 - 1:00 pm

at the Historic King of Prussia Inn, 101 Bill Smith Blvd., King of Prussia, PA

\$20/MCCC members; \$30/non-members

Being a fiduciary of a qualified retirement plan has wide-ranging consequences and is a serious undertaking that should not be taken lightly. Individuals are putting their trust and faith in you to act in their best interest. As a fiduciary of a qualified retirement plan, the Employee Retirement Income Security Act (ERISA) bestows upon you tremendous responsibility and requires that you follow a strict set of rules.

For directors, fiduciary duty requires board members to be objective, unselfish, responsible, honest, and trustworthy. Board members must act for the good of the organization, rather than for their own benefit. They need to exercise due care in all decision making, without placing the organization under unnecessary risk.

Register for this program through our Community/Events page at www.cpasolutions.net. If you have registration questions, please contact MCCC at 610.265.1776 or info@montgomerycountychamber.org.