

Legacy Press

LIFESTYLE & LEGACY CHOICES BY DESIGNSM

Fact

\$5,450,000... 2016 estate & gift tax exclusion amount.

Source:

Internal Revenue Service

“The most rewarding parts of the job are just seeing people really achieve their preferred lifestyle and their legacy, which we had a big part in designing. How do you live and how do you want to be remembered?”

Jason Eliason
CFP®, ChFC®, CFA®

Business Ownership: Failing to Plan is Planning to Fail



By: Charles Kerwood, III, CFP®, ChFC®, AEP®

Entrepreneurs spend their entire lives building a successful venture. It's successful because they have a passion for what they do; they take pride in their skill and the ability to serve their clients. An important part of owning a successful business is to ensure that you provide an excellent service or a superior product to the client or customer. But another key aspect, often overlooked, is the need to protect its employees and their families.

Ultimately, once the owner is ready to retire they will plan on selling their business to another person – or family member – that has the same passion, and continuing their legacy. This is something that can and should be planned. But what happens if an unforeseen calamity occurs, e.g., the death – or disability – of an owner or partner? Either of these occurrences will not only impact the client, but also the family of that owner, and even employees.

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Business Ownership: Failing to Plan is Planning to Fail (Continued)

Business succession planning can create an organized structure to protect clients, families and employees. Since Waller Financial Planning Group has four partners and two offices, we have to plan for anything to happen, and ultimately be prepared. Consider some of the following provisions that Waller Financial has in place for their offices in Columbus, Ohio and Naples, Florida:

1. Corporate Documents – Corporate documents are important as they outline the terms of an owner's buy-out provisions. Waller Financial has specific agreements in place that outline the requirements to determine each partner's value of ownership and terms of repayment to their estate in the event of death, disability or retirement. In addition, the documents also outline terms of acts that would force the buy-out and pricing of a partner's shares if they perform an illegal act or cause intentional damage to the company.

2. Life Insurance – Life insurance is important to a business owner for several reasons, some apparent, some not. Each of the partners at Waller Financial has key person life insurance coverage sufficient to:

- Purchase their share of the company from their estate, thus creating liquid resources for their family;
- Repay any corporate debt attributed to that partner;
- Create resources for the company to pay for any other needs the company may have due to the absence of that partner.

3. Disability Insurance – Disability insurance is an important coverage, as well. This protection may help defray operational costs associated with the loss of a partner, or even help to buy-out a partner's share in the event they are unable to return to work. Waller Financial has disability insurance in place that does just that.

4. Alternative Responsibility Plan – It is important to be aware of current partner responsibilities in order to have a backup in the event of an unexpected change. As a point of illustration, Waller Financial has three partners located at the Columbus office, and one partner at the Naples office. In the event the Naples partner is unable to perform his duties, an alternative partner has already been selected to immediately cover that role. Keys to that office, the filing cabinets and all passwords are available to the successor partner in order to ensure a smooth continuation of the Naples location.

5. Employee Protection – All of the aforementioned areas protect our employees. Waller Financial not only provides employees a salary, but health, life and disability coverage, as well as a 401(k) plan with a generous match. Without sufficient strategies in place, there is the potential for job loss or reduction in employee benefits.

As you can see, business succession is an important responsibility of a business owner. If you would like to discuss your business succession needs, please **contact us**.

The Power & Impact of Philanthropy



By: Chris Olsgard, CFP®

In my opinion, one of the greatest qualities of our collective client base at Waller Financial Planning Group is the generosity we see day in and day out. More often than not, when one of our clients has the means to give, they make it a priority to do so. This willingness to selflessly give of either one's time or one's treasure has inspired not only me, but each of our staff members to do more in the community.

Ordinarily the articles you read from our partners are geared toward education or enlightenment. While I believe this article will still accomplish both, it was written more as a tribute to those who have taught me the **power of philanthropy**. Years of education have sharpened my technical knowledge on HOW best to incorporate philanthropy into a financial plan. But the true education on WHY to incorporate philanthropy has been garnered through various remarkable client experiences. To this end, I would like to share our experience with an organization my wife and I have been involved with for the past few years, and whom Waller Financial recently supported at its annual fundraising event, more commonly referred as the *Merry Go Round Gala*.

The Childhood League is an organization of volunteers who share the common goal of raising capital and awareness for The Childhood League Center.

The Center, as it is less formally known, supports children with developmental challenges from birth through age 6, with a strong emphasis on early intervention. One statistic that really resonates with me is that 45% of all infants and toddlers who are diagnosed with special needs, and successfully pass through the program, no longer need any additional support by their third birthday. Furthermore, they have found that \$1 spent today on early intervention can reduce future education spending by up to \$17. For a man who preaches the power of compounding interest, I cannot ignore this incredible return on investment.

I truly believe greater awareness in this area WILL improve many more lives than have already benefited from the great help this organization provides. After all, it has already been proven! Our firm was happy to provide the financial support for the video that can be seen at: www.youtu.be/EnlzdyYz3ts

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The Power & Impact of Philanthropy (Continued)

For those who may have worked with our founder, Larry Waller, you are likely aware of his philanthropic efforts. Larry truly believes those who give and support their community are happier. His belief has encouraged countless employees and even more clients to achieve greater good in our community. The partners in our firm have committed to continuing this legacy, and I am proud to say it has become more than just a market niche for our staff, family and friends.

Philanthropy has led to deeper relationships between the members of our staff, as well as with the clients we serve. Our roots continue to strengthen in the communities in which we live and work. We utilize our client appreciation event each year as an opportunity to recognize those who strive to give more. We endeavor to further build our company around the core tenets that have made our small company great.

We believe in the power of philanthropy and are humbled to work with so many people who recognize its beauty, too. Whatever your organization or charity of choice is, Waller Financial can help you leverage your generosity in the most effective manner possible.

For more information about the Childhood League or ways you can help, please visit www.childhoodleague.org.

12 Questions To Ask Before Becoming A Nonprofit Board Member



By: Jason Eliason, CFP®, ChFC®, CFA®

Serving on the board of a nonprofit organization is quite fulfilling; I know this because I am currently a board member of a few organizations. I have been asked many times what one should know about serving on a board, and what they should consider before applying.

Before I get into the questions, one should know a little bit about why board members are so important to an organization. The board members of a nonprofit serve as its governing body. As a board member, you are responsible for guiding the organization toward fulfilling its mission. You are accountable to make sure there are sound legal, financial and ethical policies in place. You assume a fiduciary role in that you become responsible to act in the organization's best interest. These are serious responsibilities, so board members must be committed to the organization. To help guide a person's journey, I came up with the following questions to ask yourself before committing to this role:

1. Are you passionate about the mission?
2. What qualities would you bring to the board?
3. Why did the board invite you to join them?
4. What do you know about the organization?
 - What is its legal form?
 - Is its charitable registration in good standing?
 - Are there any pending legal issues?
 - Ask to review the board's strategic plan.
 - Ask to review the previous year's board meeting minutes.
5. What is the organization's financial condition?
 - Ask to review the board's financial statements.
 - Review the board's annual report.
 - Review the organization's tax return (990).

6. How does the board define its role, and the respective roles, of its committees?
7. What are the organization's expectations for board members?
 - What characteristics do they look for in new board members?
8. What is the time commitment of a board member?
 - How often are meetings?
 - What time are the meetings, and where is the location?
 - Can you attend meetings other than in-person?
9. How long are the board terms?
10. Does the organization carry Directors' and Officers' liability insurance?
11. Do you have any conflicts of interest?
 - What is the board's conflict of interest policy?
12. Generally, fundraising tends to be a very important role for board members. What type of financial commitment is expected?

Serving on a board of a nonprofit is immensely rewarding. You gain valuable perspective, develop and hone skills, and grow a network of professionals that will serve you well. Not to mention that you will make new friends while making a difference in the lives of others in a community you care about. In my experience though, you have to have the personal commitment to the mission, and the ability to dedicate sufficient time, energy, and financial resources to the organization for it to be a good match. If it is a good match though, you will be amazed at how much fun you will have and how rewarding it is to know you are making a difference.

News and Notes

Columbus Business First Forty Under 40 Class of 2016

We are proud to announce that Jason Eliason and Jason Farris won the Columbus Business First Forty Under 40 awards for their hard work at Waller Financial, and their contributions to the community. Congratulations!



Make a Difference Day



Our next Make a Difference event will be held at the Mid-Ohio Foodbank Aug. 2 at 9 a.m. Please RSVP to Sandy Vidosh at svidosh@waller.com or (614) 457-7026. We will be packaging a week's worth of meals for families in Columbus.

**Where will we volunteer next? We are looking for new locations in the community. Please contact Sandy if you know of a place that can hold approximately 20 volunteers at one time.*

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