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LTD.

clientTALK

Summer 2009



Welcome to the Summer issue of *clientTALK*. The rains have turned the landscape green and we can now enjoy the long, hot days of summer. Have fun!

In this issue we highlight WJ Weiser & Associates, Inc. The company was founded by Wendy Weiser, a hard-working entrepreneur whose talents have kept her company profitable since 1988.

In tax and business briefs, you will find articles on the following topics:

- ☑ How energy efficient upgrades will get you a tax credit as well as reduce operating costs and increase your home's value.
- ☑ The government's reason for not increasing the Social Security COLA.
- ☑ The importance of knowing your credit score when applying for a loan.
- ☑ The 2009 business standard mileage rates for your vehicle.
- ☑ The newest email scams that can steal a consumer's identity.
- ☑ The importance of advertising during an economic downturn.
- ☑ The work opportunity tax credit.
- ☑ The alternative to maintaining a full-service accounting department.

The partners at KRD

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A commitment to excellence and a dedication to high quality service is why WJ Weiser & Associates, Inc. has been the trusted name in medical association management for more than two decades.

Under the direction of its founder and president, Wendy Weiser, the company has built a reputation for unparalleled service. "We take the time to get to know our association membership and we tailor our services to their specific needs," says Ms. Weiser, a forty-something, hands-on executive who treats her own employees with as much care as the associations they serve.

Seated at a table in her spacious, well appointed office overlooking a lake and park, Weiser laughs at a question about vacation time. "I sometimes work twelve to fifteen hours a day, seven days a week," she reveals. "From 1990 to 2000, I never saw a movie—all my energy went into building the business. It was a lost decade!"

Weiser started the company in 1988 with only one client. Today, she and her professional staff oversee the operation of forty-five associations representing 25,000 physicians worldwide. And while she admits that it is a lot of hard work, there is the satisfaction that comes at the end of the day.

"My biggest sense of accomplishment is that I enjoy what I do," she shares.

When asked to name the biggest challenge she faces, Weiser points to the constantly changing regulations in health care.

"Today, it is more important than ever for physicians to keep abreast of the rapid changes in medicine. As their profession changes, we have to remain flexible and anticipate how those changes will impact our association members." She adds: "Years ago, it was enough for a physician to belong to one

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Tax Credits for Energy-Efficient Upgrades

Installing new, energy-efficient exterior doors and windows, skylights, asphalt or metal roofs, or insulation will not only increase your home's value and reduce operating costs, it will save you money as well. The American Recovery and Reinvestment Act of 2009 has expanded tax credits for many energy-saving home improvements. They include federal tax credits for up to 30 percent of the cost—up to \$1,500 in 2009 and 2010. Previously, the limit was \$500.



Homeowners seeking these tax credits can temporarily rely on existing manufacturer certifications or appropriate Energy Star labels for purchasing qualifying products until updated certification guidelines are announced.

The new law also eliminates the cap on the 30 percent tax credit for alternative energy equipment, such as solar water heaters, geothermal heat pumps and small wind turbines, installed in a home. The cap generally has been eliminated for these improvements beginning in the 2009 tax year.

More information on energy items and tax savings is available at www.irs.gov. To estimate how much you could save with energy-efficient upgrades, visit hes.lbl.gov.

No Cost-of-Living Increase in Social Security

For the first time in 35 years, Social Security recipients will not get any cost-of-living (COLA) increase in their benefits in 2010 and 2011, according to Congressional Budget Office estimates. Beneficiaries have received automatic COLA adjustments every year since 1975. Last year's increase was 5.8 percent.

Benefits typically are meant to keep pace with consumer prices. In the last year, overall inflation has been low, largely because of the economic downturn and a decline in energy prices.

In addition, the premiums for Part B of Medicare are impacted by a freeze in Social Security benefits. According to federal legislation, if there is no COLA adjustment, about three-fourths of beneficiaries will not see a change in their basic Part B premiums. Beneficiaries, however, may see a rise in their drug coverage premiums.

Do You Know Your Credit Score?

If you are planning to buy a new home, refinance your existing one or apply for a modification of your interest rates, there is one thing you should do first—review your credit report and find out your credit score. You want your credit score to be accurate because lending institutions use it to rate your ability to make payments on time.

Some important reasons to check your credit report:

1. 70 percent of all credit reports contain errors
2. Find out who has been inquiring about your credit
3. Understand which factors have the largest impact on your credit score.

Annualcreditreport.com is the official site to obtain a free credit report once every 12 months from each of the nationwide consumer credit reporting companies: Equifax, Experian and TransUnion. While the credit report is free, some companies charge for the credit score.

Standard Mileage Rates Take a Dip

The standard business mileage rate was 50.5 cents in the first half of 2008 and 58.5 cents in the second half of the year. The IRS has set the rate at 55 cents for 2009, after factoring in the recent reversal in gasoline prices.



Meanwhile, 2009 standard mileage rates used to calculate the deductible costs of operating a vehicle for charitable, medical or moving expenses are:

- 24 cents per mile for medical or moving purposes.
- 14 cents per mile driven in service of charitable groups.

Taxpayers always have the option of calculating actual costs rather than using the standard mileage rates.

Delete suspicious emails

The flurry of recent bank mergers and takeovers has given scammers new bait to steal consumers' identity. It is reasonable to believe that your newly merged bank wants you to update your bank account information, but don't do it. Banks do not send out emails requesting personal information such as PIN or Social Security numbers. Another phony email going around alerts consumers to "unusual activity" in their account and again asks for personal information. Your best protection is to delete—without opening—any of these email messages.

Advertising on the Cheap

The one thing your business should not do during a recession is to stop advertising. You may not be able to afford a prime time television commercial or a full-color display ad in a magazine, but there are many ways to advertise that won't break the bank.

You may start by evaluating your current advertising methods and measuring their effectiveness. Signage should be a major part of your marketing strategy. Signs are a vital part of small businesses and can be the most efficient, effective and consistent device for generating revenue. If you are offering any special promotion, advertise it on your sign or on an eye-catching poster to let passersby know about it. For example, one well-known food chain is offering 99 cent coffee drinks for the month—the line out the door is evidence of the ad's effectiveness.

Continue to develop appropriate sales promotion tools such as flyers, brochures and newsletters. These items keep your name in front of your clients on a regular basis.

In addition, every small business should be listed under the appropriate heading in the Yellow Pages. Plus, if you have a website, make sure you update it regularly and include any current promotions or offers.

Finally, one of the least expensive forms of advertising is getting involved in your community. Join the local chamber of commerce, several business networking groups, and volunteer in a charity. You are the best marketing tool for your business. □

Work Opportunity Tax Credit

The American Recovery and Reinvestment Act of 2009 creates two new categories of targeted groups under the existing Work Opportunity Tax Credit (WOTC): unemployed veterans and "disconnected youth," young people between the ages of 16 and 25 who have not been regularly employed or in school during the six months prior to hire date. These new categories apply to individuals who are hired and begin work in 2009 or 2010. The WOTC is a federal tax credit used to reduce the federal tax liability of private-for-profit employers.

The WOTC combines with the Welfare-to-Work credit for qualified persons who begin working for an employer after Dec. 31, 2006, and before Sept. 1, 2011. □



Estimated Tax Payments

Another provision of The American Recovery and Reinvestment Act decreases required estimated tax payments for individuals whose incomes primarily come from a small business in 2009. Rather than being required to make quarterly estimated tax payments based on 100 percent of their 2008 returns, the new law allows computation based on 90 percent.

The individual's AGI must be less than \$500,000 and the taxpayer must verify that more than 50 percent of the gross income shown on his or her return for the prior tax year was income from a small business. A small business is generally defined as having 500 or fewer employees. □

KRD Business Services: Your Solution to Hiring More Staff

Many businesses do not have the luxury of staffing a full-service accounting department, which handles everything from basic bookkeeping to executive supervision of financial systems and transactions. When that is the case, KRD Business Services can provide the solution by supplementing your in-house financial staff at any level or taking full responsibility for the entire bookkeeping/accounting function. We are committed to delivering results that meet ownership's expectations for accuracy and prompt execution.

Our Business Services Team has in-depth experience with a wide range of client organizations ranging from manufacturers and distributors to service firms, retailers and restaurants. We deliver the right mix of services tailored to the specific needs of your operation.

The following are among the services we provide:

- ✓ Bill payment
- ✓ Invoicing and cash receipts
- ✓ Reconciliation of bank statements
- ✓ Depreciation schedules
- ✓ Monthly accruals
- ✓ Review of books and records
- ✓ Reporting of sales taxes and payroll taxes
- ✓ Preparation of financial statements and bank loan documents

Please give us a call if you have any questions. □

WJ Weiser (Cont. from page 1.)

association and attend an annual meeting. But as medicine becomes more specialized, doctors can choose among many subspecialty associations. Time and cost can be prohibitive, however. So they have to be judicious about joining the association(s) that will give them the most for their money in terms of goods and services.”

PEACE OF MIND

Weiser & Associates acts as the corporate office for every association it serves, overseeing the daily business operations. The company provides a laundry list of services which include strategic and long-range planning, continuing education program development and association fundraising. In addition, staff members answer the telephone and greet callers with the specific association’s name.

Another important aspect of management is meeting and event planning.

“We have years of experience in planning successful meetings,” states Weiser. “Special attention is paid to every detail to make sure that events run smoothly from start to finish, are profitable, and provide needed results with growth in non-dues income.”

During a meeting, the company’s staff will register attendees, coordinate the audio-visual equipment, manage the exhibitions and pass out attendee and exhibitor surveys, among other things.

Weiser & Associates also offers graphic design and production services to its clients including logos, websites, newsletters, brochures and/or journals.

“We provide solutions to our clients’ publishing needs while keeping the cost in line with their budget,” says Weiser.

“Keeping expenses under control is a goal of every association. Our clients are nonprofit entities, but we run them in a way that enables us to keep our fees down. We provide a solid operating structure and ensure the business of the association is well cared for in every way—we don’t take shortcuts. That is one reason why our company has been so successful and doubled its growth every five years.”

MANAGING THE MONEY

Dave Wasielewski has provided tax and accounting services for Weiser & Associates for over ten years. He and Joann Bellos of KRD work closely with Weiser’s internal accountant. About one half of the medical associations are required by law to undergo an

audit each year and Dave is the one who heads up the audit team. He also prepares the associations’ tax returns.

“Dave is always accessible to us,” says Wendy Weiser. “He shares our philosophy of providing high quality, excellent service. Just as we carefully monitor the budgets of the associations we serve, Dave is vigilant about the work he does for us. That attention to detail is critically important and appreciated too.”

She continues: “Dave is honest, even tempered, big hearted, knowledgeable and professional,” she adds. “Those qualities combined with his fair fees make for a good partnership.

“Dave is never in a hurry. Whenever I ask him a question, I get the feeling that he is building a relationship and not just billing time. We are satisfied with the work he does for us. I would never think of changing accountants!”

She concludes: “Our company is growing mainly because the exact same management expertise we provide to our clients is the one we practice ourselves.”



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