

Financial Insight

Security For Generations



2nd Quarter 2018

PRESIDENT'S PERSPECTIVE



Aaron Lindberg

Good News and Great News!

GEN Financial crossed an exciting milestone last month, **twenty years in business!** It is with sincere gratitude for our clients, team members and business partners that we are blessed to serve, thank you. We look forward with great anticipation to what the future holds as we strive to apply our comprehensive financial planning approach to meet your unique goals and dreams.



Eric Moleski

We are also thrilled to announce the expansion of the GEN Team. GEN completed a merger with Lindberg & Associates in April, bringing three more professionals onboard; Aaron and his staff, Connie Nelson and Jill Rausch, expanding our team to nine. Aaron Lindberg and his team have been serving financial planning clients for over fifteen years. Aaron and Eric have been working on this transaction for over a year to ensure a smooth integration. The merger unites two companies with similar vision and culture, high standards for integrity, and genuine care to see clients succeed.

Aaron's investment career began in 1996 and has touched many facets of the finance world. He led the competitive research and product development effort for a mutual fund company, published investment research focused on health care companies, and provided a variety of consulting services, including mergers and acquisitions, competitive research, financial modeling and start-up business consulting. In 2002 Aaron began to work with financial planning clients and fell in love with the opportunity to make a positive, long term difference for individuals, families and small businesses. He is passionate about philanthropy and strives to help clients maximize the value of their resources. In addition to a wide range of experience in the investment business, Aaron's education is also focused in this area. Aaron received both undergraduate and MBA degrees in finance, is a Certified Financial Planner and a Chartered Financial Analyst charterholder.



Baseball reveals character; golf exposes it.

Ernie Banks

Aaron, Eric and Bryan will all maintain their current roles as the financial planners in the practice. Rachel and Jill will both provide financial planning support as well as contribute to the investment committee and client meeting preparation and servicing. Jerry remains focused on 401k and retirement plans, client appreciation and marketing and is our resident golf pro. Connie serves as our client concierge and will be the first smiling face you encounter when you arrive or call. Connie is also the keeper of the calendar. Tracy remains our primary client service representative and paperwork expert; from applications to Investment Policy Statements and meeting documents. Lisa still runs the show as the operations manager, there isn't anything she doesn't do!

Changes from the Tax Cuts and Jobs Act that Might be Overlooked

Most of us are familiar with the reduction in tax rates across the brackets, the elimination of the personal exemption and near doubling of the standard deduction.

The tax reform also provides as extension of the period to pay back a 401(k) loan if you leave your job. While most people pay back loans on their 401(k), many people fall into a tax trap. Previously, borrowers had 60 days to repay their loan if they left or lost their job. Failure to repay the loan would count as a distribution and trigger income taxes on the loan balance and a 10% early withdrawal penalty if the borrower was under 59 1/2 years old.

The new law, which applies to loans taken after January 1, 2018, gives borrowers a bit more time. Now if you leave a job, you have until your tax filing deadline to repay the loan. For example, if you left a job in February 2018, you would have until April 2019 to repay the loan (or October 2019 if you file an extension).

Enhanced Flexibility in the use of 529 College Savings Dollars

Historically, distributions from 529 savings were only tax free for qualified higher education expenses. This basically means expenses for continued education after high school. It includes colleges, universities, and technical and trade schools. The tax reform now allows for earlier use of these funds for K-12 education expenses. Families can now use up to \$10,000 from their 529 accounts each year to help support these education costs. This may be helpful in multi-generational planning as families seek to provide education legacies for their children, grandchildren and beyond. We are happy to share successful strategies that we have utilized to create a personalized education plan for your family.



Back row: Jerry Jensen, Rachel Slipka, Bryan Vancura, Lisa Hemmer, Jill Rausch, Tracy Westhoff
Front row: Connie Nelson, Aaron Lindberg, Eric Moleski

We welcome your thoughts, comments and suggestions regarding our newsletter.
Please contact Lisa at Lisa.Hemmer@GENFinancial.com