

# Business Quarterly

Helping Simplify the Complex



## "Grandma & Grandpa, Please help."

Many of today's young people see finances as overwhelming. Some ways that you may be able to help your grandchildren make good choices:

- Organize the money they have
- Understand credit and loan offers
- Distinguish between wants and needs
- Establish a simple budget
- Teach gratitude and generosity
- Think about tomorrow

## 6 Employee Benefit Options

Good benefits can contribute to happy, loyal, hard-working employees. Here are 6 choices for small businesses. Which is right for you? (see page 2)

(employee benefits continued from page 1)

<p style="font-size: 2em; font-weight: bold; border: 1px solid white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">1</p> <p style="font-weight: bold; margin: 5px 0;">WOMEN</p> <p>"Women control \$20 trillion in global spending. 92% pass along info about deals or finds to their friends." Anne Obarski, Merchandise Concepts</p>	<p style="font-size: 2em; font-weight: bold; border: 1px solid white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">2</p> <p style="font-weight: bold; margin: 5px 0;">INTEGRITY</p> <p>"Integrity is doing the right thing, even when no one is watching." C.S. Lewis</p>	<p style="font-size: 2em; font-weight: bold; border: 1px solid white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">3</p> <p style="font-weight: bold; margin: 5px 0;">SUCCESS</p> <p>"The average CEO reads more than 60 books per year." Blinkist</p>
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1. **SEP IRA.** Simple Employee Pension Individual Retirement Arrangements are geared toward really small businesses with 25% of pay eligible to be invested up to \$55,000.

2. **Simple IRA.** Savings Incentive Match Plan for Employees IRAs are generally a “beginner 401K” for employers with less than 100 employees. It allows employees to make contributions up to \$12,500 (\$15,000 for those over 50).

3. **Profit Sharing Plan.** This allows a business owner to make discretionary profit shares with a maximum of \$55,000.

4. **401K plan.** This is possibly the most well-known, with a \$18,000 deferral limit (\$6,000 catch up) and up to \$55,000 total with deferral, match, and profit sharing. Fairly new to the 401K is the Roth option.

5. **Defined Benefit Plan.** For those small businesses that are highly profitable and have few employees, this plan may allow up to \$100,000s of tax deferral.

6. **Bonus Plan.** Some companies choose executive bonus plans and/or deferred compensation plans to reward key employees and create “golden handcuffs.”



## EMPLOYMENT PRACTICES LIABILITY INSURANCE?

With the steady increase in workplace legal disputes, Employment Practices Liability (EPL) Insurance seems to have become a business necessity. Without it, many employers face defense costs and settlement demands that could easily put them out of business, even if the employee’s allegations are completely baseless. Nevertheless, many small to mid-sized employers often decline this important protection because they treat their employees “like family” and feel that they would NEVER intentionally subject them to discrimination, harassment, retaliation, or the growing panoply of regulatory violations. Particularly with the passage of HB-1136 in Colorado, however, EPL Insurance provides protection from the very real risk that a workplace people problem could someday become a legal one. Discuss with your business property and casualty agent whether or not you should have EPL Insurance today. Source: Morton Insurance and Risk Management





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