BELTZ IANNI & ASSOCIATES

Speaking of…

Dec 2016-Jan 2017

Volume 3 / Issue 6

## A LIFETIME OF CHANGES – A LIFETIME OF PLANNING

You and your family have, and will, experience so many changes throughout your lives… graduations, careers, marriages, divorces, births, deaths, retirement. Good or bad, each event has a financial impact, and the strategies you use to pursue your goals may differ depending on your stage of life.

To make the most of the long journey, guidance from a financial advisor is a good way to keep you on track and secure your future. Through careful financial planning and investing, you can grow and protect your wealth and your family.

Here are just a few of the life events that should trigger your discussions with your financial advisor.

**Just Starting Out**

- New Career and Paying off Student Loans
- Marriage
- Buying a First Home
- Expanding Your Family
- Saving for Retirement

When you're just starting out, you have financial goals that seem more pressing than saving. By creating a budget and setting short- and long-term goals you'll be able to make room for spending, debt reduction, and saving.

**Midway Through**

- Getting a Raise, Changing Jobs and/or Relocating
- Buying a Business
- Buying a Second Home or a Vacation Home
- Putting Children Through College
- Saving for Retirement

At this point, you may be financing a second home and helping your children pay for college expenses. However, middle-career years are crucial to the growth of retirement assets and the time to consider having appropriate life insurance coverages.

**Almost There**

- Emptying the "Nest"
- Selling a Business
- Receiving an Inheritance
- Change in Marital Status
- Considering Retirement
- Receiving a Severance Package

At this point, your focus may be on preserving wealth and protecting against losses. If you made it this far without working with a financial advisor, now is the time. The desire to turn your lifetime of savings into a lifetime income stream should inspire you to do some financial planning.


The team at Beltz Ianni & Associates is here to help you reflect on what you want out of life and how to get there. Collaborating with you, your family members and your accountant, we provide the information and guidance that will take you from start-to-finish. You're never too young or too old to plan.❄

## DEPOSITING EMPLOYEE CONTRIBUTIONS

**SITUATION:** Our company is considering hiring a payroll provider. We want to make sure that any new payroll processing procedures we implement will give us enough time to deposit participant contributions to our 401(k) plan in a timely manner.

**QUESTION**: What are the deadlines for depositing participant contributions?

Happy Holidays

280 Kenneth Drive, Suite 110
Rochester, NY 14623
585-340-5200
www.beltz-ianni.com

**ANSWER**: Plan sponsors have a fiduciary responsibility to make deposits of participant contributions on a timely basis. Generally, participant contributions include all amounts paid by participants or withheld by the employer from participants' wages as contributions. Under the DOL guidelines, sponsors must deposit all such amounts as of the earliest date they can reasonably be segregated from the employer's general assets. However, it cannot be later than the 15th business day of the month following the withholding (or the date the plan sponsor receives the amount). That is the latest date and is not a safe harbor deadline. If the contributions can reasonably be segregated from the employer's general assets before then, the contributions should be deposited into the plan trust at that earlier time.

For plans with fewer than 100 participants at the beginning of the plan year, there is a safe harbor deadline. Participant contributions need to be deposited no later than the seventh business day following the date they are received or withheld by the employer. Meeting this deadline is sufficient even if the plan sponsor can reasonably segregate the amounts from general assets within seven business days.

To help prevent late deposits, plan sponsors may want to review and document the steps taken to process their payroll. If late deposits do occur, plan sponsors should take corrective measures. The participant contributions should be deposited as soon as possible, along with any missed earnings on the late deposits to be allocated to the accounts of affected participants. Plan sponsors may also want to use the voluntary correction programs provided by the DOL and the IRS. Finally, it may be useful to review any procedures already in place with the goal of identifying changes that can be made to prevent a recurrence.❄