In The Loop
Your magazine of personal finance
November-December | 2023



Choosing your 401(k) pathway

Withholding 101 | Energy boosters for entrepreneurs
Merry marketing | Active holiday vacations | Yuletide time machine

Stepping into the holiday season

As we head into the holiday season, we enter into a season of joy, reflection, connection and preparation. At this time of year, we start to think ahead while reveling in the present (or presents, if you will) and wrapping up another successful year.

We're here to help you navigate the path to retirement with the ins and outs of managing your 401(k), as we dive into the two strategies that can potentially pave the way for a golden retirement. Whether it's approaching your savings as a cohesive block or adopting a tiered method, we answer the questions you may have to ensure your financial future is as bright as the holiday lights adorning your streets.

As the festivities ramp up, so do the intricacies of financial planning. We aim to guide you smoothly through what you need to know about tax withholding adjustments and whether they're necessary.

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For our vibrant entrepreneurs who are looking to keep their energy levels high and their spirits merry, we've gathered a list of energy boosters that will supercharge your journey through the holiday festivities. And for those looking to ramp up their holiday marketing strategies, we have some budget-friendly ideas to help your business sparkle both virtually and in person.

If snuggling by a roaring fire with a cup of hot cocoa isn't your style during the holidays, we've curated a list of US destinations for those looking for a fun and exciting adventure. Get ready to trade those chestnuts for adrenaline!

Finally, as we draw the curtains on another year, we invite you to take a nostalgic journey with us on a merry trip down memory lane. We'll revisit iconic trends and traditions that have graced holiday celebrations throughout the decades.

Here's to a season of joy, learning and new beginnings. Happy reading, and even happier holidays!

Your trusted advisors

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Choosing your 401(k) pathway



A guide to a golden retirement

Whether you're two years away or 20, the golden age of retirement is on the horizon. And your 401(k) serves as a dynamic tool, guiding you on a path toward financial stability. But one question that may need to be answered on your journey is this: Should you go the singular, block-of-money route, or should you embrace a more diversified approach as you traverse toward retirement? Let's explore the two different avenues you can take with your 401(k) as you plan for retirement.

The singular path

Under the singular approach, your 401(k) is managed as a unified block of money. This means your assets are allocated in a way that aligns with your overall objectives and risk tolerance. It also means you'll need to check in on your progress from time to time, to make sure your assets remain well-balanced. There are both good and not-so-good things about taking the singular path. Let's explore why.

The good

It's simple to manage

Taking the singular path is very straightforward. It makes it easier to manage—and understand—your 401(k). This method is great for those who prefer to set it and forget it. You won't need to be very hands-on with this strategy.

It's cost-effective

Using a single strategy may involve lower transaction costs and management fees than a tiered approach, where assets are frequently reallocated.

It results in consistent growth potential

When you focus on long-term financial goals, you can benefit from the compounding effect. This may result in higher overall returns over a long period of time.

The not-so-good

It lacks flexibility

When you take the unified approach with your 401(k), it may not provide enough flexibility to adapt to changing market conditions or personal circumstances.

It can increase risk exposure

Taking the singular route can present challenges, such as limiting the ability to adjust risk levels as you approach retirement. This means you could potentially lose more money during market downturns.

The diversified approach

In contrast to the singular path, the diversified approach involves dividing your 401(k) into three separate tiers based on your stage of retirement. These stages can be defined as the **growth phase** (young age), the **transition phase** (middle age) and the **preservation stage** (approaching retirement). In this strategy, your assets and risk profile depend on where you are in your retirement journey. Just like the singular approach, the tiered approach also has some positives and negatives.

The good

It allows for customization

When going the diversified route for your 401(k), you can choose a more personalized approach. This is where your asset allocations can be adjusted based on your changing needs and goals during each phase of retirement.

It's better at managing risk

As you make your way through each phase of retirement (i.e., growth, transition, preservation), the tiered strategy makes the transition from a high-risk portfolio to a more conservative one. This helps minimize potential losses as you approach retirement.

It adapts to market fluctuations

A tiered approach can help you potentially take advantage of market opportunities at different stages. This means you can optimize the return on your investments and reduce risks.

The not-so-good

It can be complex

When using a diversified path, it means you'll be managing multiple portfolios. Doing this can be complicated; it requires a deep understanding of investment principles and can also be time-consuming.

It could cost more

If you decide to diversify your approach, it could involve higher transaction costs and management fees because you'll adjust and reallocate your funds more frequently.

It can result in missed growth opportunities

Transitioning into your preservation stage means you'll be taking a more conservative approach. This could lead to missing out on growth opportunities, which could reduce your overall retirement nest egg.

Singular vs. diversified: Factors to consider

Deciding which path to take for your 401(k) can be difficult, so it's important to consider several factors, including your risk tolerance, financial goals, investment knowledge and the amount of time you have until retirement. Here are a few things to consider:

Your personal risk tolerance

Understanding your risk tolerance (i.e., the potential amount you're willing to risk so you can achieve a specific investment return) will help you determine whether a unified or tiered strategy better aligns with your investment personality.

Your timeline for retirement

How close you are to retirement plays a big part in whether you choose the singular or diversified route. If you have a lot of time left until retirement, a unified approach may be better suited to your needs. However, if you're closing in on that "permanently out on vacation" deadline, a more aggressive tiered approach may better benefit you.

Your need for expert guidance

Regardless of the path you choose, consulting with a financial advisor can help provide valuable insights into the best strategy for you based on your circumstances and goals.

Managing your 401(k) is a critical component in securing your financial comfort in the golden age of retirement. Both singular and diversified paths have their merits. However, we suggest weighing the pros and cons of your individual needs and working with an expert to help you make the right decision. Cheers to the golden years! ■



Withholding 101: Navigating tax withholding for individuals

Understanding the nuances of tax withholding can be a complex affair for individuals. However, from time to time, your tax withholding may need to be adjusted to remain compliant and financially secure. In this article, we'll explore tax withholding basics and why you should or shouldn't update your withholdings.

The nitty-gritty of tax withholding

It's important to understand the tax withholding basics before making any changes. Tax withholding is the portion of your wages that are retained by your employer to be directly paid to the government. This serves as a contribution to your yearly income tax, Social Security and Medicare tax. Individuals and businesses must make sure that the accurate amount is withheld to adhere to IRS rules. And getting the amount right can help you avoid unexpected tax bills and optimize your annual returns.

Why and when to update

Your circumstances can change, so it's important to know when and why your tax withholdings need to be updated. According to the IRS website, there are several situations that call for an individual to check their tax withholdings.[1] This includes early in the year, whenever the tax law changes or when you experience life changes, such as:

- **A lifestyle change**, like a marriage, divorce, birth or adoption of a child, a home purchase, retirement, or filing chapter 11 bankruptcy.
- **A wage income change**, such as you or your spouse starting or stopping work and/or a second job.
- **Changes in taxable income not subject to withholding**, like interest income, dividends, capital gains, self-employment income or IRA distributions.
- **Any adjustments to income**, such as IRA deductions, student loan interest deductions or alimony expenses.
- **Any itemized deductions or tax credits**, like medical expenses, taxes, interest expenses, gifts to charity, dependent care expenses, education credits, child tax credits or earned income credits.

If you experience any of these changes, you can use the IRS Tax Withholding Estimator and complete a new W-4 form for your employer.[2]

Why and when *not* to update

While life-changing circumstances can require the need to change your tax withholdings, there are a few situations where maintaining your existing withholdings will suffice.

- **You have financial stability.** If your financial circumstances are stable, with no significant changes in your income or personal life, your current withholding allowances may be adequate.
- **You have recently adjusted your withholdings.** If you've recently adjusted your tax withholdings to reflect your current financial situation, consider the impact before you make any further changes.
- **You have minimal changes in income or deductions.** In a case where there may only be a minimal change in your income or deduction, an immediate adjustment may not be necessary.

Making updates

If you need to make tax withholding updates, be sure you do your research. You want to have a clear understanding of any new IRS guidelines or tax laws. Refer to the IRS website for tax updates, calculators and the forms you'll need.

Also, consider seeking the advice of a tax advisor. They'll be able to help you with your specific needs and ensure you're following all IRS guidelines and tax laws. Periodically review and adjust your withholding strategies to prevent any surprising tax bills...and to keep the IRS happy. ■

[1] "Tax Withholding for Individuals," Internal Revenue Service, January 13, 2023. https://www.irs.gov/individuals/employees/tax-withholding
[2] "Tax Withholding Estimator," Internal Revenue Service, April 13, 2023. https://www.irs.gov/individuals/tax-withholding-estimator



Energy boosters for entrepreneurs

As 2023 winds to a close, for many entrepreneurs the holiday season is not only a time for celebration, but also a time for an increased workload. While the holidays are a season of joy and relaxation for many with a lot of vacation time banked, it's typically crunch time for many small business owners. Balancing business demands with holiday preparations can be a drain on your energy sources (i.e., you).

Luckily, if you combine a semblance of vitality-boosting foods, invigorating exercises and productivity hacks, you can boost your energy levels and coast right on through the hustle and bustle of the end-of-year festivities. Here are some tips to give you that much-needed holiday energy boost.

Supercharge with nutrient-packed foods

What you put in your body can make or break your energy levels, so be sure to...

Eat an energizing breakfast

Start your day with a protein-rich breakfast that includes eggs, yogurt or lean meats. Add whole grains such as oatmeal or whole-wheat bread on the side to provide a steady energy release throughout the day.

Reach for healthy snacks

Nibble on snacks such as nuts, fruits or cottage cheese that can provide a quick yet efficient energy boost. Make sure you avoid fruits and snacks that are high in sugar, as those can lead to a severe energy crash later.

Stay hydrated

Drinking enough water every day can greatly help your energy levels. Aim for at least half your body weight in ounces. If water is too bland, try green teas or herbal infusions that help hydrate and also provide antioxidants.

Spark energy with quick exercises

It's easy to wake up feeling lethargic or feel your energy drain throughout the day. To kick that tiredness to the curb, incorporate the following into your day.

Energize your morning

Start your day with a quick set of exercises to get your blood pumping. Do a series of stretches or jumping jacks or take a brisk walk.

Incorporate desk exercises

Doing desk exercises such as seated leg lifts, light dumbbells for your arms or chair squats can help you maintain your energy levels throughout the day.

Take time to meditate

Clear some time on your schedule every day to concentrate on deep breathing or meditation to help reduce stress and kickstart your brain.

Boost productivity by working smarter

With the holiday season comes a flurry of excitement—and a jam-packed to-do list. Use these tips to make better use of your already crunched time.

Prioritize your tasks

Take time at the end of each day to prioritize your top three tasks for the next day. Those are the tasks you want to strive to complete; anything else is just icing on top.

Schedule your breaks

Make sure you're scheduling several frequent breaks throughout the day to prevent burnout. Use the time to stretch, grab a healthy snack or take a quick walk to help refresh your mind.

Use helpful technology

There are several time-hacking apps out there that can help you get organized. Use only the tools that will streamline your workload and help you manage tasks, appointments and reminders.

Delegate tasks

It's OK to delegate tasks to trusted team members. It helps share your workload, helps your team get more done and shows your team that you trust them.

Embrace the holiday spirit

Don't let your holiday schedule turn you into the next Ebenezer Scrooge. Get into the holiday spirit by...

Decorating your office or business

Decking the halls for the holiday season—no matter what you celebrate—is sure to lift your spirits and boost your energy.

Celebrating achievements

Take some time to celebrate your team and the milestones you've met throughout the year. Not only does it boost morale, but it can also provide a fresh surge of energy as you approach the end of the year.

Getting involved in your community

Participate in community events or volunteer when you can. Engaging with your community can give you a sense of accomplishment, boost your serotonin (and energy!) and help you spread holiday cheer.

As the holiday season approaches, embrace these energy boosters to keep you, your team, and your business vibrant and thriving—and to set yourselves up for a prosperous new year. ■



Merry marketing

The holiday season gives small businesses an opportunity to connect with customers in a joyous way. The festivities that span these few months are a blank canvas for your creativity and a chance for you to splash vivid hues of joy and celebration onto your marketing strategies. But best of all, you don't need an enormous budget to spread holiday cheer. Here are several fun and cost-effective holiday marketing ideas sure to ignite the spirit of the season.

Deck the halls—virtually and physically

In this digital age, your online storefront or business homepage deserves as much attention as your physical location. Add some festive flair to your website and social media platforms using free graphic design tools like Canva to create holiday-themed banners, profile pictures and posts that echo the festivities. A little holly in the corner of an image or holiday lights strung across a banner are small yet impactful ways to spread holiday cheer.

If you have a brick-and-mortar store or business location, pick up inexpensive items from the local dollar store and decorate your space. Consider working with local artists or community members to help create outdoor decorations or window displays to foster the spirit of community and collaboration.

Create online buzz

The holidays present a wonderful time for your business to create fun and engaging holiday-related content, such as:

- **Blog posts**

Share blog posts with tips on how to celebrate the holidays, gift guides for your customers to use and share with their friends and family, or your team's favorite holiday recipes. These ideas can help provide value to your customers and boost your website.

- **Social media contests**

Host fun, holiday-themed challenges or contests on your social media platforms. Highlight your employees talking about their favorite holiday traditions or have an ugly sweater contest.

- **Community stories**

Encourage followers to share photos of themselves using your products during the holiday season or spotlight loyal customers and their favorite holiday recipes.

- **Video marketing**

Create holiday-themed videos using your smartphone and post them to Instagram, Facebook or TikTok. Give your followers a glimpse into your holiday preparations or tutorials related to your business.

Personalize your holiday offers

To thank your loyal customers and attract new ones, incorporate personalized holiday offers, including:

- **Holiday bundles**

Put together themed bundles of your products at a discounted price, making gift buying easier for your customers.

- **Gift wrapping**

Offer complimentary gift-wrapping services using recycled or locally sourced wrapping materials.

- **Thank-you cards**

Whether via email or through a handwritten card, include a quick and personalized thank-you note to your loyal customers, offering them discounts or early access to holiday sales.

Collaborate with your community

Collaborative events with your local community are a great way to unite people and celebrate the season. You could:

- **Organize a community market**

Invite local businesses, artisans and craftspeople to a holiday market so they can showcase their products. It not only creates a festive shopping experience, but it helps promote local businesses and talents.

- **Host networking events**

Gather with local businesses to meet, exchange ideas and find opportunities for collaboration. This can help support your local community and foster camaraderie among local businesses.

- **Partner with local charities**

Reach out to local charities to organize donation drives or fundraising to encourage a season of giving. Encourage patrons to contribute or donate, and provide a small discount on services in return.

Market—and spread—holiday cheer

As the festive season approaches, remember that holiday marketing doesn't have to be extravagant. A personal touch and an engaged community create the most memorable connections. ■

Active holiday vacations

Ahh...sitting by the fireplace, snuggled under a warm blanket with a hot cup of cocoa. Snow falling. Sounds idyllic, doesn't it?

But if that image makes you feel restless rather than festive, you're in luck. We've gathered six adventured-filled destinations in the United States that are sure to help you create memorable experiences.

Aspen, Colorado

BEST FOR

Adventure enthusiasts and families

ACTIVITIES

Skiing, snowboarding, snowshoeing, cross-country skiing

HIGHLIGHTS

Picturesque mountain views, a vibrant nightlife and four ski areas.

Nestled in the heart of the Rocky Mountains, Aspen is the epitome of a winter wonderland. Visitors can partake in world-class skiing and snowboarding amidst the stunning alpine scenery. Plenty of snowshoeing and cross-country skiing trails are available to adventurists, along with sleigh rides and snowmobile tours.



Lake Tahoe, California/Nevada

BEST FOR

Families and couples

ACTIVITIES

Skiing, snowmobiling, ice skating, snowshoeing

HIGHLIGHTS

A stunning, clear-blue lake surrounded by snow-capped mountains.

Straddling the borders of California and Nevada, Lake Tahoe is a pristine winter destination that promises adrenaline-fueled adventures. Visitors can participate in skiing, snowmobiling and ice skating.



Sedona, Arizona

BEST FOR

Wellness enthusiasts and families

ACTIVITIES

Hiking, mountain biking, rock climbing, yoga retreats

HIGHLIGHTS

Numerous trails for biking and hiking and beautiful red rock formations.

Renowned for its striking red rock formations, Sedona transforms into a serene winter escape during the holiday season. With milder temperatures at play, visitors can enjoy hiking and mountain biking, along with yoga retreats and spa resorts for a bit of relaxation after a day of adventure. Experience the Red Rock Fantasy Festival of Lights to add a little magic to your holiday travel.

Anchorage, Alaska

BEST FOR

Adventure seekers and nature lovers

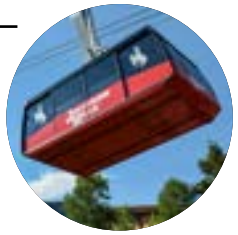
ACTIVITIES

Dog sledding, cross-country skiing, snowshoeing, northern lights viewing

HIGHLIGHTS

Magical northern lights and the grandeur of the Alaskan wilderness.

Anchorage is where rugged wilderness meets urban sophistication, offering adventure seekers a blend of winter activities along the Alaskan landscape. Visitors can participate in dog sledding and cross-country skiing, with a high chance of experiencing the magic of the northern lights dancing across the sky.



Jackson Hole, Wyoming

BEST FOR

Families and adventure enthusiasts

ACTIVITIES

Skiing, snowboarding, snowmobiling, wildlife tours

HIGHLIGHTS

Close to Yellowstone National Park and Grand Teton National Park.

Home to renowned ski resorts and snuggled up to the Teton Mountain Range, Jackson Hole beckons both nature lovers and adventure enthusiasts alike. With slopes of all skill levels, visitors can experience the thrill of world-class skiing and snowboarding among breathtaking views.



Park City, Utah

BEST FOR

Sports enthusiasts and families

ACTIVITIES

Skiing, snowboarding, snowmobiling, bobsledding

HIGHLIGHTS

Home to the largest ski area in the United States and the Utah Olympic Park.

Park City is a vibrant winter destination offering a rich blend of adventure and culture. It boasts the largest ski area in the United States, where visitors can enjoy a range of winter sports including skiing, snowboarding and bobsledding. When the thrill of the slopes has worn off, tourists can head to historic Main Street, where they'll see a town adorned with festive lights along with a delightful array of shops, galleries and restaurants. ■

Yuletide TIME MACHINE

Join us as we travel back in time to the holiday seasons of yesteryear. We'll explore what holiday-themed items were the most popular of each decade.

1950s

Fun fact

Aluminum Christmas trees made their debut in 1955.

Songs

- "Frosty the Snowman" by Gene Autry and the Cass County Boys
- "Santa Baby" by Eartha Kitt
- "Jingle Bell Rock" by Bobby Helms

Toys

- Barbie dolls
- Mr. Potato Head
- LEGOs

Movies/TV specials

- "A Christmas Carol"
- "White Christmas"

1960s

Fun fact

Animated Christmas movies started with "Mr. Magoo's Christmas Carol," airing on December 18, 1962.

Songs

- "Do you hear what I hear?" by Noël Regney and Gloria Shayne
- "Christmas (Baby Please Come Home)" by Darlene Love
- "A Charlie Brown Christmas" album by the Vince Guaraldi Trio

Toys

- G.I. Joe
- Etch A Sketch
- Easy-Bake Oven



Movies/TV specials

- "Rudolph the Red-Nosed Reindeer"
- "How the Grinch Stole Christmas!"

1970s

Fun fact

Hallmark Keepsake Ornaments sprang on the holiday scene in 1973.

Songs

- "Feliz Navidad" by José Feliciano
- "Happy Xmas (War Is Over)" by John Lennon and Yoko Ono
- "Step into Christmas" by Elton John

Toys

- Weebles
- Stretch Armstrong
- Speak & Spell

Movies/TV specials

- "Santa Claus Is Comin' To Town"
- "The Year Without a Santa Claus"

1980s

Fun fact

While ugly Christmas sweaters weren't new, they became mainstream in the 1980s due to the character of Clark Griswold.

Songs

- "Do They Know It's Christmas?" by Band Aid
- "Last Christmas" by Wham!
- "Christmas in Hollis" by Run-D.M.C.

Toys

- Cabbage Patch Kids
- Rubik's Cube
- Nintendo Entertainment System (NES)

Movies/TV specials

- "A Christmas Story"
- "Scrooged"
- "National Lampoon's Christmas Vacation"

1990s

Fun fact

The 24-hour "A Christmas Story" marathon started on Christmas Eve 1997 on TNT.

Songs

- "All I Want for Christmas Is You" by Mariah Carey
- "Christmas Eve/Sarajevo 12/24" by Trans-Siberian Orchestra

Toys

- Tamagotchi
- Tickle Me Elmo
- Beanie Babies

Movies/TV specials

- "Home Alone"
- "The Muppet Christmas Carol"
- "The Santa Clause"



2000s

Fun fact

The Elf on the Shelf began reporting children's behavior to Santa in 2005.

Songs

- "Where are you Christmas?" by Faith Hill
- "Believe" by Josh Groban

Toys

- Bratz Dolls
- Nintendo Wii
- Webkinz

Movies/TV specials

- "Dr. Seuss' How the Grinch Stole Christmas"
- "Elf"
- "The Polar Express"

2010s

Fun fact

The residents of Bogotá, Colombia, set a record in 2014 by building the largest number of snowmen ever constructed in one place. With the absence of snow, over 11,000 snowmen were made from Styrofoam.

Songs

- "Mistletoe" by Justin Bieber
- "That's Christmas To Me" by Pentatonix



Toys

- Hatchimals
- Paw Patrol
- L.O.L. Surprise! Dolls

Movies/TV specials

- "Arthur Christmas"
- "The Christmas Chronicles"

2020s

Fun fact

Primarily due to the COVID-19 pandemic, many families started celebrating Christmas virtually, including family members from all over the globe in one "virtual" place.

Songs

- "Merry Christmas" by Ed Sheeran and Elton John



Toys

- Baby Yoda
- LEGO Super Mario Adventures
- Barbie Color Reveal

Movies/TV specials

- "Holidate"
- "A Christmas Story Christmas"

We take your data security seriously



Protecting your personal data from today's breed of cybercriminal is a main focus in our firm.

We continue to implement best-of-breed technologies and enhance our internal processes to keep your sensitive data safe and secure.

Thank you for making us your trusted advisor