

# LET'S TALK FINANCIAL WELLNESS<sup>®</sup>

July/August 2025

## Paid Leave Options

Do you know which benefits your employees value? Employees often list health insurance and a retirement plan among their most desired benefits, but paid time off is also important in today's pressurized work environment.

### A Changing Benefit

Companies offer paid time off to employees for sickness, vacation, maternal/paternal leave and personal reasons. While a newer trend is to offer a bank of days and let employees take time off for any of the qualifying reasons, others still structure time off by event, such as sickness or vacation.

### Sick Time

Employers typically offer this perk as a set number of paid sick days, or they may offer insurance to pay for the time off. Insurance is more likely to be involved when employees need longer absences due to disability from an illness or injury.

### Vacation Time

While most employers still offer an average of 10 to 20 days of vacation, typically based on seniority, a growing number of companies offer unlimited paid leave options. According to U.S. Bureau of Labor Statistics and Project: Time Off, workers tend to take 10 to 14 days annually, leaving several days unused. Knowing many employees don't take their full vacations, it's not surprising that the newest vacation trend — unlimited time off — hasn't resulted in a flood of workers taking off indefinitely. A refreshed and renewed workforce may mean more productive employees, so encourage them to take the time off they — and your company — need.

### Parental Leave

The Family and Medical Leave Act ensures that eligible parents who work for employers with at least 50 employees can take up to 12 weeks off. While federal law doesn't require paid leave, some local jurisdictions mandate it. There are eligibility requirements and leave must be for qualified reasons.



### Paid Time Off — Period!

Some companies combine all time off into one basket. For example, a company might offer 30 days' time off for any qualifying reason, including health, vacation and personal reasons. This contrasts to the old approach where the same company might have offered 10 vacation days, seven sick leave days and one or two personal days.

Talk to an employee benefits specialist to learn how you might structure time off and other benefits to attract and retain skilled workers.



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Small Business Version



# Develop Healthy Spending Habits

Developing and maintaining healthy spending habits seems easy in theory, but prove harder in practice. From the time we earn that first paycheck to receipt of our first retirement check, financial goals change, but smart spending habits hold true. Consider practicing these habits through the times of your life:

## Young Adults

There is no better time to learn and practice healthy spending habits than in our early adult years. But today's Millennials are swamped with 24/7 sales messages on their electronic devices, television and in print. At any age, start by using your head and putting your heart in cold storage when shopping. When you hear "buy, buy, buy" answer the question "why, why, why?" before spending a dime.

Learn to curb your buying impulses. Ask questions. Do you really need to buy a new smartphone when your old one works just

fine and is paid off? Do you know how those designer lattes add up each month, each year? Understand your total expenses and learn to differentiate between needs and wants.

Once you take the emotion out of buying, put your new spending plan in writing. Detail your income and expenses, and build an occasional indulgence into your budget. Ultimately, you'll appreciate the healthier financial life that you'll gain by consistently being disciplined.

## Midlife Reset

Even the most disciplined savers can fall back into poor spending habits and see their debt levels rise. If this sounds like you, consider the following:

- 1 Forgive yourself. Everyone makes mistakes;
- 2 Review your budget and strategize for better spending health;
- 3 Pay your credit card balances with the highest rates first, until they're paid in full;
- 4 If you use your cards again, pay off balances in full each month;
- 5 Strive to buy with cash instead; and
- 6 Put the extra cash you saved toward long-term goals.



## Near Retirement

The younger you are, the easier it may be to correct poor spending habits. But no time is more important to nail this financial aspect than when you're near retirement. Because this time of your life may include less income than when you worked, it's important to start by lowering your expenses.

Healthy spending habits near and in retirement may start and end with reducing your major expenses. Downsizing your living arrangements could provide the biggest boost to your disposable income. Paying off credit card debt is a must and planning for unexpected expenses should be a priority.

Know, for example, that a home you own will need maintenance at some point, so plan for its costs. Carry the insurance needed to pay for health, disability and long-term care. Revisit your spending plan regularly to account for changes in your life.

# Leaving the Nest

When young adults leave the nest, they will confront a number of financial challenges for the first time in their lives, but there are some things they can do to ensure a successful experience.

## Practice Good Debt Management

Credit cards are not free money, and balances for young adults often come with high interest rates. Paying any balance in full each month will keep the interest charges at bay.



## Start a Regular Savings Regimen

Children watching parents save regularly tend to develop similarly good financial habits early in life.

## Protect Belongings

Insure your student's belongings against a loss due to fire, theft and other perils.

Today's students own expensive items such as a car, computer, monitor, cell phone, television and gaming devices. Also, cover basics including clothing and bedding.

# Prepare for Almost Anything

Even the most prepared people can't predict when an expensive surprise will come their way or how much it will cost. You can, however, prepare financially for the unexpected by creating an emergency fund to help meet surprise expenses.



## Financial Emergencies

We have all experienced the shock of a big expense. For example:

- The car won't start and you learn it needs \$800 worth of work.
- The furnace breaks down and you have to choose between a \$5,000 replacement or a cold winter.
- Your company is struggling financially, and you find yourself in the unemployment line.

Unanticipated surprises like these can affect your budget in varying ways. An emergency fund may help you get through the rough spots.

## Funding the Fund

There are two basic ways to accumulate an emergency fund. First, deposit any financial windfall into the fund. If you receive a bonus from your employer, an unexpected commission or a tax refund, sock it away in the emergency fund. You won't miss what you didn't have before.

Second, in lieu of a windfall, find a little bit of money to save regularly and put it away. Aim for three to six months of expenses as a target. This discipline can help you build your emergency fund sooner than you might think.

# Too Good to be True

As college debt soars, so do the number of scams trying to separate you from your money. The Federal Trade Commission (FTC) reports a sharp uptick in scam complaints since late 2024 when payments resumed after pandemic pauses and Biden's forgiveness plan causing confusion. If you have student loans it pays to beware.

## Know Their Tricks

Scammers can duplicate government seals, making their emails look official. Among their false promises is their claim of fast loan forgiveness if you pay an upfront fee ranging from \$500 to \$1,500 – illegal under federal law – plus demands for sensitive information like Federal Student Aid logins.

Understand that no one can offer immediate loan forgiveness. So, make sure any debt-relief offers are legitimate before taking action. Delete the emails and hang up on phone calls from pretenders. Lenders offer ways to make paying back student debt easier.





# Combining Business and Personal Travel

If you run your own company and travel for business, you may be tempted to combine work with pleasure. That's okay, as long as you don't trip up on tax rules. Your tax professional can advise you as to what you can or cannot do.

## Tax-Smart Travel

Business owners know that travel expenses related to work can offer significant tax deductions. Generally, businesses can deduct the cost of airfare, lodging, car rentals and meals from taxable income when used for legitimate business purposes.

When you combine personal and business travel, it gets a little more complicated. You can still deduct transportation costs for you, but not for any family traveling with you who don't have a business reason to take the trip.

Also, you may only deduct the reasonable cost of lodging, which in this case would be single or double occupancy instead of a suite. You may also deduct the cost of shipping materials needed for business, your dry cleaning and even tips. You can't, however, deduct your family members' vacation expenses.

## Separate Expenses

It's important to keep detailed records, with the days, locations, time involved, names of people you meet and your purpose of

business. Know that the IRS won't likely allow deductions for a day when you have a 15-minute meeting and spend the rest of the day with your family at a theme park.

You will have to allocate all of your expenses for tax purposes. For example, you may deduct the cost (including gas) of renting a car only during those days when conducting business. So, if you spend \$500 for a 10-day rental and you put in five days for business, you deduct half of that as a business expense.

Finally, you will have to recognize the personal expenses paid by the company as an owner's draw and part of your income.

## Be Prepared

As with any travel, hope for the best and prepare for the worst. If you have a small travel-date window and live in an area with frequent airline delays and cancellations, consider travel insurance, and make sure you have the appropriate health insurance if traveling overseas.



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## ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

March 18, 2025

Reference: **FR2025-0306-0097/E**

Org Id: 23568

1. LTM July August 2025 Business  
Rules: MSRB, FIN 2210

Our review is based on your representation that the final version of this communication will prominently disclose the name of the member, pursuant to FINRA Rule 2210(d)(3)(A).

The communication submitted appears consistent with applicable standards.

Reviewed by,

Jeffrey R. Salisbury  
Principal Analyst

**Reminder:** The fee charged for Regular filings submitted to the Advertising Regulation Department on January 1, 2025 and after, will increase from \$125 to \$300 (for the first 10 pages/minutes). The fee of \$10 per additional page/minute has not changed. The filing fee for expedited filings will remain at \$600 (for the first 10 pages/minutes) and \$50 per additional page/minute. Please see <https://www.finra.org/media-center/blog/funding-finras-mission-111224> for more information.

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