

Don't expect caviar for the price of Cheese Whiz

Recently, I escaped the frozen tundra (which hasn't been so frozen this year) for a weekend in Jamaica.

I had stumbled across an amazing deal and only checked to make sure the resort looked safe before booking it. As the trip approached, I got more and more apprehensive after reading several poor reviews online. My friends and I agreed that as long as there was sun and water we would have fun – even if the resort was crumbling around us.

Imagine our surprise to arrive at a beautifully landscaped, extremely well-maintained resort. The staff was friendly and helpful, there were plenty of food and drink options and the pools were the perfect temperature.

Sure, there could have been more variety on the buffet, a little more comfortable bed and nightly entertainment that wasn't so cheesy. It wasn't the Ritz Carlton by any stretch, but for the price we paid, it was wonderful.

When I looked back at those poor reviews, I realized all of the complaints had one thing in common – every one of those people was expecting luxury accommodations while only paying for a three-star resort.

Over the years I've learned that there are times to price shop and times when paying the cheapest price is no bargain. I thrive on finding good deals on trips, but I'll always spend enough to make sure that the hotel is clean and safe and I always fly with bigger airlines – as they have more flight options if something goes wrong.

I follow similar logic when it comes to my finances.

I've always been willing to pay a fair price for good advice and for insurance policies that are actually going to protect me when I need them. I've seen clients live to regret trying to save money by preparing their own taxes or by buying their property and casualty insurance online.

For example, several years ago I started working with a local business owner who had gone through a fairly complex business ownership event. He was trying to file his own tax return using a software program he purchased online.

I strongly suggested he hire a certified public accountant to assist him, but he wasn't willing to spend the money.

Sure enough, the IRS had questions about his return and he ended up spending a good deal of time and money getting everything sorted out with them. Had he hired a CPA, he could have potentially avoided any questions at all, but even if they had arisen, the CPA could have coordinated the resolution process for him.

Similarly, I've seen a number of errors on tax returns completed by national tax preparation chains that have offices that pop up just for tax season. At least a half-dozen times I've come across IRA deductions being taken for contributions to Roth IRAs (which are not deductible) or capital gains distributions lumped in with interest income (even though they are generally taxed at a completely different rate).

Remember that just paying to have your taxes prepared doesn't assure any level of expertise of the preparer. Those large chains often hire people seasonally, and while I'm sure many of them are competent, you don't really have a way to verify that.

Working with a CPA may cost a bit more, but generally you are getting a qualified tax adviser – not just a tax preparer – out of the deal. I am someone who could certainly manage to file my own taxes (even though they are quite complex), but my relationship

with my CPA is worth its weight in gold – as is the time and stress I save not having to stay on top of every tax code update.

I have also realized what a smart choice it has been for me to insure my home with a quality company.

First of all, my independent insurance agent has been a wonderful resource to me over the years – she knows my family and our situation well and has made suggestions over time that have both saved us money and given us peace of mind. No 800 number insurance company is going to do that.

Even more importantly, when I recently had a claim that resulted completely from our own human error, our insurance company covered it with no questions asked – even though the adjuster did chuckle a little at the story.

They made the process as easy as possible – giving us a very comfortable financial settlement without requiring us to get multiple bids, turn in receipts for reimbursement or complete mountains of paperwork.

As someone who is constantly in the process of multitasking, the lack of hassle alone earned them a customer for life.

Like most people, I find myself occasionally tempted by the enticing ads to “save 15 percent or more,” and I do experience a small twinge of guilt for not laboring through my own tax returns, but any time a need arises I get reminded of how valuable that money spent is.

After all, you get what you pay for.

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