

Time for a Fall Tune-Up?

Now that the busy summer is behind us, it is the best time to take a look at your finances and see if a tune-up is needed. If you wait until the end of the year things are always chaotic around the holidays and it seems like there is never enough money to go around. So here are some suggestions on how to make sure your financial engine is firing on all cylinders:

Trim your taxes.

Don't wait until year end to do things that will minimize your taxes.

Do a 2005 tax estimate – if your income will be up or down due to capital gains or losses or changes in your salary, you may be over paying your taxes – both Federal and State.

Donations -- Go through your closets and garage and make donations to charity – there are lots of opportunities and collection points in or close to Hudson. It is a great way to create a little space and help people in need.

Adjust your 401k contributions – many plans allow quarterly contribution level adjustments. Take a close look at your levels to make sure you will achieve the maximum contribution for 2005 you can afford. Maximum contribution limits have increased to \$14,000 and if you are over 50 you can contribute an additional \$4,000.



Make IRA contributions – it is often easier to make a monthly IRA contribution rather than a lump sum payment at the end of the year. Why not set up an automatic contribution now through you bank, broker or mutual

fund? The IRA contribution limit for 2005 has increased to \$4,000 and if you are over 50 you can contribute and additional \$500.

Make Section 125 contributions – if your company offers a Section 125 Flex Spending plan, take some time to estimate what your maximum contribution should be. The rules have been liberalized for medical expenses to include over-the-counter medicines, eye care expenses and other expenses. Contributions are pre-tax so it is a great way to put a little money in your pocket.

Rebalance your portfolio.

Now may be a good time to review and rebalance your portfolio. Generally when you rebalance you reduce your risk. So consider selling some of your winners and shifting those funds to make your portfolio more balanced.

Summit Success A New Professional Network Group

A new Hudson business network group, "Summit Success" has recently been founded by a group of Hudson professionals. The goals of the organization include:

- Developing long-term cooperative business relationships
- Supporting local business initiatives
- Providing useful information to the community

The group of founding members include Amy Pendergrass (real estate agent), Andy Maimona and Dave Heffelman (investment/insurance advisors), David Umbaugh, Betty Lingler (Banker) and me (CPA).

I will be featuring ideas from Summit Success in future news letters.

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