



Ashwood Advisors, LLC®

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Truth, Knowledge, Experience

1st Quarter 2015

A Financial Checklist You Can Handle

Presented by Stephen A. Geremia

Hi Everyone,
2014 was a solid year for stocks while bond yields remained low. Oil prices have come down considerably, leading to lower prices at the gas pump. Many experts see a cyclical upturn in 2015 with West Texas Intermediate (WTI) moving back to the \$75-85/barrel. Enjoy prices at the pump while they last.

All eyes are on the Fed for 2015. I wish you all a great new year.

Sincerely,
Steve Geremia

With the beginning of 2015 upon us, you may be setting goals and resolutions for the New Year. Starting fresh is always a great feeling, but the scale of what we set out to accomplish sometimes becomes overwhelming as the year progresses. The question is, how can you stay motivated to meet your financial goals in 2015?

Financial tips for every month

For many people, checking off items on a long list of to-dos brings a great sense of satisfaction. To help you keep moving toward your goals, we've created a month-by-month checklist of some key financial tasks to consider throughout the year. You might even find that you've completed some of these items already!

January

Establish a will or trust with an estate attorney. Although many people avoid thinking about estate planning, getting your affairs in order is one of the greatest gifts you can give your loved ones. If you've already established a will or a trust, sit down and review the documents with your attorney, making any necessary changes.

Create a budget. Establishing a monthly plan for spending and saving is an excellent way to help keep your finances in check, whether you're reevaluating your financial life or just trying to maintain good habits.

Get ahead on your mortgage. If you can swing it, consider making a full extra payment toward your mortgage principal, which may help shorten the length of your loan.

February

Review life, home, and auto insurance. It's a good idea to check your coverage regularly. Have you experienced a major life event in the past year, such as a marriage or birth? Any significant changes in your personal life may require you to reevaluate your coverage.

March

Check your investment portfolio allocations and current holdings. As your financial advisor, we monitor your investment portfolio and holdings regularly. Nonetheless, you should be aware of where and how your assets are invested.

Explore loans, grants, and other sources of financial aid. There are many ways to finance college and postgraduate education expenses. If you have a college-bound child, it's wise to get an early start researching the options available to you. The government-sponsored website <http://studentaid.ed.gov> is a great place to begin.

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"A Bank is a place that will lend you money if you can prove that you don't need it."

Bob Hope

May

Review 401(k), IRA, and SEP plans. No matter your retirement goals, keeping an eye on your balances and making regular contributions is essential. Depending on your circumstances, consider increasing the amount you contribute. (Retirement planning is equally important for self-employed individuals, who can take advantage of many of the same savings vehicles.) We encourage you to meet with us to discuss the investment allocations in your 401(k) or other plan.

June

Check your credit report. Request your free credit report at www.annualcreditreport.com and review it carefully for mistakes or suspicious charges, which could be a sign of identity theft.

Shred old documents. Any financial documents that you no longer need, such as bank and investment statements, should be destroyed to ensure that they don't fall into the wrong hands.

July

Research 529 savings plans. Withdrawals from 529 plans are tax-free when used for qualified higher education expenses, making them an excellent way to save for a child or grandchild's schooling.

August

Review online accounts. Take a look at the usernames and passwords you currently use for your online accounts. If the passwords are too basic or if you've held onto them for too long, consider changing them as a security precaution.

September

Assess your overall investment goals and strategy. It's wise to reevaluate your financial goals every year, especially if you've had any major changes or unexpected events in your life. We can discuss your situation and help you adjust your financial plan accordingly.

Revisit your budget. Look back at the plan you made in January and decide whether to adjust your budget or stick to your current strategy.

October

Contact your CPA for year-end tax planning. Before tax season hits, it's a good idea to speak with a certified accountant about changes in your personal circumstances, expiring tax breaks, and so on.

Consider charitable giving. Donating to charity at year-end is a popular way to do good while reaping potential tax deductions. Charitable giving may be another item you wish to discuss with your CPA.

November

Review the balance in your flexible spending account (FSA). FSAs require special attention so that you don't lose unused funds at year-end. Under a new law, employers may allow employees to roll over \$500 in FSA funds to the next year. Be sure to check the rules of your FSA plan and review your available balance.

December

Consider refinancing high-interest debt. Consolidating your mortgage, credit card, or car loan payments can make your financial life more efficient (and possibly lower your overall interest rate).

Pay off credit card balances every month. For the New Year, make a resolution to pay off your credit card balances every month, if you're not doing so already.

Milestone events

In addition to the monthly tasks outlined here, keep these significant planning milestones in mind as you near retirement age:

Age 50: Consider making catch-up contributions to IRAs and qualified retirement plans.

Age 55: You can take distributions from 401(k) plans without penalty if retired.

Age 59½: You can take distributions from IRAs without penalty.

Ages 62–70: You can apply for social security benefits.

Age 65: You become eligible for Medicare.

"Every once in a while, the market does something so stupid it takes your breath away."

Jim Cramer

Age 70½: You must begin taking required minimum distributions from IRAs, 401(k)s,

and 403(b)s.

Although this may seem like a lot of information to take in at once, glancing at the checklist each month and being ready for important retirement-related dates can greatly improve your sense of financial security, granting you peace of mind in 2015—and beyond.

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"The four most dangerous words in investing are: 'This time it's different.'" Sir John Templeton

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A Safety Reminder: Protecting Yourself from Data Security Breaches

Presented by Stephen A. Geremia

One of the biggest themes of the past year has been the scary truth that our personal information may not be as secure as we think it is. Yet, even as headline after headline announces the latest data breach, many consumers are not proactive about protecting their security. A recent Associated Press-GfK poll found a surprising contradiction: While half of respondents said they're "extremely concerned" about their personal data when shopping in stores, and more than 60 percent are worried about shopping online or on a mobile phone, only about one-third have taken steps to protect themselves.

If an event like the breach of 110 million Target customers' information doesn't spur people to take action, what will? Certainly, companies and banks bear a great deal of responsibility for protecting their customers, but there's also plenty that individual consumers can do to safeguard their personal data.

Stay vigilant, every day

You may not be able to prevent a data breach at a major retailer or institution, but, by regularly monitoring your accounts, you can respond quickly if hackers attempt to use your information. Here are some best practices:

Keep a close eye on your credit card statements. Frequently checking your purchase history is a simple and effective way to ensure that no one is fraudulently using your account information. (It's especially easy to do when your recent purchases are fresh in your mind.) Be on the lookout for suspicious charges, and note any other account changes you didn't make. One hacker tactic is to change the credit card billing address to get the statement sent elsewhere, allowing the thief to impersonate the victim.

Pay attention to "last logged in" info. During each online banking session, check the website's "last logged in" section to make sure you're the only one accessing your account. If you notice any irregularities, report them immediately.

Sign up for electronic alerts. More credit card companies are beginning to offer this service, sending customers a text or e-mail when a suspicious transaction is made on their account.

Consider a credit monitoring service. Credit monitoring typically costs just \$10–\$15 per month, but the extra security it offers may be well worth the additional expense. For those affected by Target's data breach, the company is offering a full year of free credit monitoring; visit <https://creditmonitoring.target.com> for details.

Adopt safe shopping habits

Whether you're shopping online or in a store, these are good practices to follow:

Use cash more. It's simple mathematics. The fewer times you use a credit or debit card, the fewer chances a hacker has to capture your personal information. While using a card is generally safe, if you're worried about data breaches, paying in cash

has the potential to cut the numbers more in your favor. Ashwood Advisors, LLC. A Registered Investment Advisor. All Rights Reserved.

Remember the basics

You've probably heard these tips before, but they remain essential to keeping your personal information safe.

Be e-mail savvy. E-mail is a favorite tool for hackers, as well as one of the prime movers for viruses. Here are some pointers to keep in mind:

Be wary of links in e-mails that appear to be from your bank. Instead, go directly to the bank's website and follow the instructions there.

Never provide personal details over e-mail, including user IDs and passwords, credit or debit card information, account numbers, PINs, and so on.

Never open, run, or install programs or files you receive from an unknown source or even unsolicited requests from people you know. Delete suspicious e-mails from your inbox, and then delete them from your deleted items folder.

Always log out before leaving an online banking session or a website that stores your personal information.

Enable two-factor authentication on your e-mail and social media accounts.

Update your antivirus software. Be sure that the antivirus protection on your computer and other devices is current. Remember, you tend to get what you pay for with free antivirus software. Do some research and talk to trusted professionals about the best solutions for your devices.

Shred it! Last but not least, be careful about disposing of documents that include personal information, such as account numbers. Shredding these documents is a key step in keeping your personal information safe.

Spread the word!

Although none of these measures guarantees success, following the guidelines here can only help you safeguard your accounts and your identity. As always, we encourage you to share this article with your family and friends. As data breaches become increasingly common, awareness is a crucial factor in thwarting hackers and protecting your personal information.

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