

tax&investment newsletter

April 2011

MONTGOMERY TAYLOR, CPA, CFP

In the business world, the rearview mirror is always clearer than the windshield.
~Warren Buffett



Monty's Opening Thoughts...



I was recently told by one prospective client that they thought my firm was **TOO BIG** for their needs and they would choose another firm. Of course, I had to chuckle. What? Did they think we might overwhelm them with client service and resources available to meet their needs?

I had another prospective client tell me recently that they thought my firm was **TOO SMALL** for their needs and they would be going elsewhere. They wanted a firm that had a "brand" name and lots of employees—as some form of security and stability. Hmmm...



As a business owner, these interactions make me think. Yes, on the one hand we are a small firm. It's just little 'ole me and six employees. On the other hand, if you think about the resources at our disposal and the strength of those companies we're affiliated with, it gives a bit different picture. By "affiliated" I mean those companies with whom we have connected to provide us with "back-office" support.

Our investment business utilizes **Fidelity Investments** in Boston as the custodian of our investment accounts. Fidelity was founded in 1946, has roughly 38,000 employees and is one of the largest financial services companies in the world with \$1.5 trillion in assets under management. Our client accounts are held at Fidelity and clients can go directly to Fidelity for customer support if needed.

Our connection on the college services side of the business is with **College Planning Network** in Mayfield Heights, Ohio. CPN has approximately 30 employees, providing us with back-office support in the processing of FAFSA applications and college admissions counseling. They provide a tremendous amount of support to our firm and in many instances directly to our clients.

I could go on and talk about other affiliations on the life insurance and annuity side of the business and list their thousands of employees and founding dates back to the 1800s, but hopefully I've already gotten my point across.

The truth is there is an overwhelming trend of clients moving away from large investment and CPA firms in recent years. People are realizing that they can get the personal attention they desire from a small "boutique" firm without giving up anything that really, truly matters. Many of us in small firms came from big firms and have years and years of experience – we just got tired of the bureaucracy. I have clients tell me all the time that our tax and investment services are better than what they experienced at one of the BIG firms.

In dealing with financial matters, you should be working with someone you trust. There are too many scams and evidences of incompetency to do otherwise. Big, small...why not go with "just right"--someone you trust.

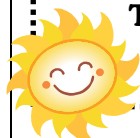
~Monty



If your 401(k) Statement looks miserable...and you're not sure how to keep your retirement fund growing...then you need to read this closely!

You need the investment allocation guidance which Monty can provide. With his experience managing hundreds of millions of dollars, Monty can give you the independent, growth-building investment tips you need. **Here's your first tip:** as soon as you get your 401(k) statement dated March 31st, send it to Monty for analysis and a recommended asset allocation.

This is a free service for existing clients.



Inside This Issue

Save Time--Save Money!.....	3
Avoid a Tax Refund!?!.....	3
2011 Tax Planning Opportunities.....	4
April 18 is a Major Tax Day.....	5
College Strategist – Financial Spring Cleaning-Strategies for College Funding.....	5
Mom's Advice Wasn't So Bad After All.....	6
Green Label Portfolio – Private Notes.....	7
Online Exam to Test Teens' Financial Smarts.....	8

Staff News

Talent...a natural ability to do something well.

Do you have a hidden talent? This tax season we have been discovering the hidden talents of several of our staff members. **Rob** delighted everyone



recently when he wandered through the office playing his clarinet. Rob's musical talent also includes playing the piano, saxophone, and writing comedy songs. He recently performed in *Annie Get Your Gun*.

Sandy loves to sing . . . Barbara says she has the voice of an angel. Sandy sings solos at her church and has been asked to sing at weddings and other special events. She has even been heard on the radio! (But don't start checking the top 40!)



Barbara wishes she was musically gifted-- but her hidden talent lies in her fingers. She can accurately type over 100 words per minute!



Besides having a green thumb for gardening, **Pat's** other talent is being fluent in American Sign Language. And, in her work with the Sonoma County Search and Rescue Team, she holds the record for finding the most human remains.



Phil is quite the sailor . . . and he has won several awards for sailing. Just ask him about racing his 19 foot classic Lightning sloop off the coast of New England.



Monty says his talent is finding and hiring really great employees who make the office run smoothly and a fun place to work. Really, he said that.

Monty also has the ability to smell chocolate from 10 yards away and the talent to fall asleep within moments of putting his head on a pillow. Monty has old trophies for marksmanship, arm wrestling, acting and playing the drums.



I Was Feeling Overwhelmed ... Now I Feel Relaxed

Monty has been very helpful as my tax/financial advisor. I was feeling overwhelmed. Monty helped me relax, feel more confident. He has a better understanding of financial matters than I do. For a while I was doing it by myself, but it was making me too nervous.

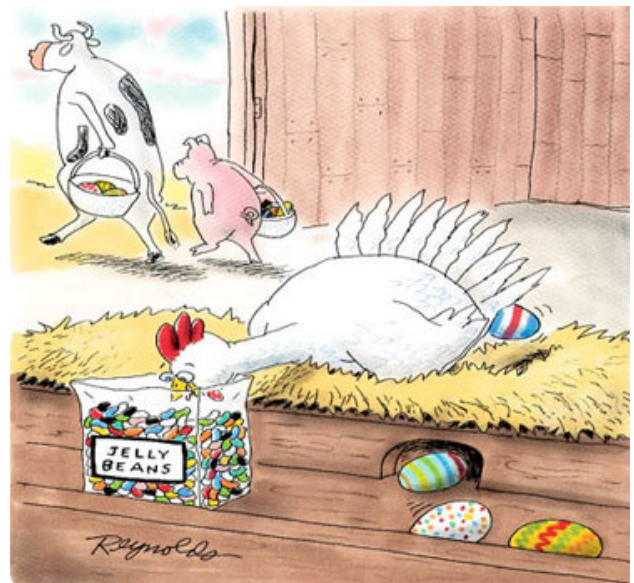
Monty was very helpful when I sold my farm in Indiana. There was a lot going on with the taxes from Indiana and California. He takes care of the whole process – he knows what you need to do to make the most of your money as far as taxes are concerned.

I would recommend Monty to my friends. I always tell people how much I like him. Monty's level of service is very good for single women. I feel that he's very honest and straight-forward. Monty is open to your ideas and interests, and he's very easy to work with. He really makes an effort to see what you're trying to do. I don't feel like "just a client". Monty has that personal touch, and he keeps steering you toward your goals. And he is very reachable, by phone and in person.

Monty handles my taxes, my investments, and my 401K plan at work. It's really nice to have everything together, instead of somebody doing this and somebody else doing that. He coordinates everything.

Monty eased the pain of tax season. He makes the process smooth and easy.

Barbara Cooper, R.N., Santa Rosa



Tax Strategy of the Month

“Here’s an idea I think will save you money!”



Save Time--Save Money!--If You Wish....

These tips may be a little late to be of help to you *this* filing season, but might be helpful to keep in mind for next year. And, if you are fine with paying for tax preparation services by the hour and don’t really care how long it takes, you can disregard these little suggestions altogether. ☺ Here are some tips for preparing for your tax preparation appointment with your tax preparer. (Please take these suggestions as “helpful hints,” not criticism):

1. Take your W-2s and 1099s (and everything else) out of the envelopes prior to coming in. Why pay us to open your mail?
2. Group and total your receipts by expense category (i.e., medical, charitable, job expenses, etc.) prior to coming in, rather than digging through piles of receipts in front of the preparer.
3. If you want to write-off the use of your vehicle for business, charitable or medical use, figure out those various uses and mileage at home. Bring us a written summary of your mileage by category as well as the total mileage on your vehicle for the year.
4. It is very helpful to fill out the tax organizer that was sent to you and answer all the questions. However, you don’t need to bother writing in information from your W-2s, 1099-Rs, dividends, interest and stock sales—just bring in these statements and let us input the data directly.
5. If you have a business, bring us a print-out of your profit and loss statement and your balance sheet for the year. Bringing in a thumb drive of your QuickBooks file would be great too, if you use QuickBooks. If you don’t have a computerized bookkeeping system, create a one-page profit and loss statement for us, by listing the totals of your income and expense categories with the totals for the year.
6. If you bought, sold or refinanced any real estate during the year, bring in the final closing escrow document.



Tax Basis of Funds

Mutual funds are a great convenience for many investors, allowing them an easier way to diversify portfolios compared to investing in individual stocks and bonds. But calculating capital gains or loss on a sale of mutual fund shares for tax purposes is more complicated.

The tax basis of mutual funds is usually the cash investment, plus reinvested dividends and capital gains, minus returns of capital. The easiest way to have access to these numbers is to keep good records. If sales charges or commissions are separately stated by the broker, you will need to track these as well, since they will change your cost basis.

If your mutual fund is not keeping these numbers for you, you will need to perform the task. Create an Excel spreadsheet, and record your activity each year. Also, keep copies of your year-end statements. Among other things, the statements usually show reinvested dividends.

For IRS audit purposes, generally you need to keep records three years from the date the tax return is due or filed. Your broker usually must keep records seven years.

Without good record keeping, the task of pulling together your numbers can get complicated. Your broker or investment counselor may be of help, but he or she may not have records going back to the date of the original fund purchase. Fund administrators may also have information.



Another good source of information is past tax returns, which will contain information on dividends. But going back could take some digging.

Avoid a Tax Refund!?!?

You may feel giddy knowing you’ll get a check from the IRS each spring, but you shouldn’t. Getting money back means you’re essentially lending money, interest free, to the government for the year. Better to have that cash in your account than to lend it to Uncle Sam. So if you’ve been getting big refunds or have had a big life change (a marriage, a baby, a divorce, a radical increase or decrease in income), adjust the withholding allowances on your W-4 form.

You can do that for your 2011 taxes now at www.irs.gov. Use the withholding calculator to determine the correct figure for you. Then print a new W-4, fill it out, and give it to your payroll department.

If neither of the above situations apply	
Cut here and give Form W-4 to	
Form W-4	Employee's Withholding Allowance Certificate
Department of the Treasury Internal Revenue Service	
Whether you are entitled to claim a subject to review by the IRS. Your employer will determine if you are subject to review by the IRS.	
1 Type or print your first name and middle initial.	Last name
Mary B. J.	Smith
2 Home address (number and street or rural route)	
5011 Elm Street	
3 City or town, state, and ZIP code	
Austin, TX 78701	
4 Total number of allowances you are claiming (from line 5)	
6 Additional amount, if any, you want withheld from each payment	

Tax News You Can Use...

Check the new rules for 2011 tax planning opportunities

Sunset was postponed last December, at least in the world of taxes.

Many existing laws, which had been due to expire, or “sunset” at the end of 2010, were extended through 2012. At the same time, new rules that can impact your tax planning came into effect. With so many changes, you’ll want to make sure you understand the possibilities available to you as you undertake your tax planning for 2011. Here are some suggestions.



Business tax planning

There’s a new twist on an existing option for accelerated write-off of assets you purchase from September 9, 2010, through December 31, 2011. You can choose to expense 100% of the cost of new equipment, such as machinery, some vehicles, and computers, under expanded “bonus” depreciation rules.

While this sounds similar to Section 179, which also allows immediate expensing of assets you’d otherwise have to write off over several years, differences between the two methods exist. For instance, the amount of Section 179 expensing you can claim may be limited by your income. In contrast, bonus depreciation can create an operating loss that you may be able to carry back to prior years to generate a refund. Also, bonus depreciation is available only for new assets; Section 179 expensing applies to both new and used assets.

And what about the rules for Section 179? The expensing limit was increased to \$500,000. Your deduction begins to shrink if you buy more than \$2 million of assets.

Another depreciation break was also extended: the 15-year life for certain leasehold and retail improvements and restaurant buildings and improvements. These assets will no longer qualify for 15-year depreciation after 2011.

Investment planning

Capital gain rates will remain at a maximum of 15% (and a minimum of 0%) through December 31, 2012. The rates apply to qualified dividends and long-term gains from investments you sell. That makes 2011 a good time to implement strategies for potential tax savings.

One example: You may be able to manage your income to stay within the 10% or 15% income tax brackets, which would allow you to take advantage of the 0% capital gain rate.

Alternatively, you could gift appreciated stock to family members in those brackets. For 2011, the cutoff for the 15% bracket is \$69,000 of taxable income when you’re married filing jointly (\$34,500 for singles).

Also a tax-savvy way to completely eliminate your capital gains tax might be to donate appreciated stock to charity and receive a deduction equal to the security’s current market value. Special rules apply to noncash donations, so check with us before you move forward on this strategy.

IRA planning

Thanks to the extension of the “charitable IRA rollover” rule, taxpayers age 70½ and older can again use their IRA to make a donation to their favorite charity. The distribution can be used to offset some or all of your required annual minimum distribution.

Another exciting option is a Roth IRA conversion. If you procrastinated on converting your regular IRA to a Roth last year, you can still do so in 2011. Although converting your IRA generates taxable income in the year of the transfer, later withdrawals of contributions and income from the Roth are tax-free.

Making this transfer while income tax rates remain low could pay off big time. Your conversion opportunities are not limited to just traditional IRAs. You can also convert your 401(k), 403(b), or 457 plan to a Roth.



Estate and gift tax planning

The new rules for estates include a maximum tax rate of 35% and a \$5 million exemption for 2011 and 2012. The exemption is the amount you can leave to heirs, tax-free, and it applies to lifetime gifts as well. Therefore, you and your spouse could gift up to \$10 million of cash, investments, or ownership in a business without incurring gift tax. That’s in addition to your annual exclusion of \$13,000 per recipient.

Estates of persons who died in 2010 have the option of applying the restored estate tax rules and receiving a step-up in basis on property passing to heirs or having no estate tax but using a carryover of the decedent’s basis in property.

The December tax law contains other provisions that offer planning opportunities – almost all of which are temporary. Please give us a call for details and planning guidance.

April 18 is a major tax day

Monday, April 18, is a red letter day in the world of taxes. It is the deadline for filing



certain returns and taking certain tax-related actions. Here are the major deadlines:

- **Filing 2010 income tax returns for individuals.** If you cannot file your return by this deadline, be sure to file an extension request by April 18. The automatic extension (you don't need to explain to the IRS why you need more time) gives you until October 17, 2011, to file your return. An extension does NOT, however, give you more time to pay taxes you still owe. To avoid penalty and interest charges, taxes must be paid by April 18.
- **Filing 2010 partnership returns for calendar-year partnerships.**
- **Filing 2010 income tax returns for calendar-year trusts and estates.**
- **Filing 2010 annual gift tax returns.**
- **Making 2010 IRA contributions.**
- **Paying the first quarter installment of 2011 individual estimated tax.**
- **Amending 2007 individual tax returns (unless the 2007 return had a filing extension).**
- **Original filing of 2007 individual income tax return to claim a refund of taxes.** Each year taxpayers have tax refunds due them for prior years, and unless a return is filed to claim the refund by the three-year statute of limitations, the refund becomes the property of the U.S. Treasury.



Tax Advice Disclosure: To ensure compliance with requirements imposed by the IRS under Circular 230, we inform you that any U.S. federal tax advice contained in this communication (including any attachments), unless specifically stated otherwise, is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties or (ii) promoting, marketing or recommending to another party any tax-related transaction(s) or matter(s) addressed herein. This general information should not be acted upon without first determining its application to your specific situation. For further details on any article, please contact us. Tax preparation and consultation services are offered through the office of Montgomery Taylor, CPA, with professional memberships in the California Society of CPAs and the American Institute of CPAs.

College Strategist

Paying for College Without Going Broke

Financial Spring Cleaning – Strategies for College Funding

Spring is upon us, and with the blossoms on the trees comes the time for us to do some “financial housecleaning”. This is especially important when you are working on strategies for funding your child’s college education. Here are five strategies which can help.

1. Learn the Ropes from the Right Sources. Attending a Financial Aid night at your child’s high school may introduce you to the subject of financial aid, but high school guidance counselors do not know how to position your money and assets in a targeted fashion, allowing minimum exposure to financial aid formulas. We can help you with this.



2. Don’t Turn Up Your Nose at a Junior College. If trying to keep the overall costs of tuition and expenses down, consider attending the local community college for the first year or two. Your student can complete his or her “core curriculum” requirements, and then go on to earn a diploma by transferring to a more expensive 4-year college or university.

3. Don’t Be Afraid to Negotiate. If your child is a graduating senior and you’ve received college admission letters, we urge you to play the schools against each other before making your decision. If the schools are similarly ranked, contact each school and request that they reassess their financial aid award offer based on the best offer you’ve received. Families have saved thousands of dollars by doing this.

4. It’s Tax Season . . . What’s Changed Could Affect You. Each year there are evolving deductions, incentives and credits designed specifically for families who are sending children to college. It’s important to have the most up-to-date tax information. Please call us if you have questions about how your current tax situation may affect your family’s college plans.

5. Encourage and Assist Your Child Along the Way. This may seem like strange financial advice, but it isn’t. Doing all you can to help and encourage your child in high school can pay serious dividends in the years to come. Successful students tend to get into top colleges and go on to well-paying jobs.

If you would like more information about college financial planning, contact our office at 576-8700.

College planning services are offered through our College Plan Advisors, LLC, company and its affiliation with College Planning Network and the National Association of College Funding Advisors.

Financial Strategy of the Month

“Here’s an idea I think will save you money!”

Mom’s Advice Wasn’t So Bad After All

When you were in school, did you take a class to learn all the rules of investment management? Yeah, probably not. Don’t feel bad. Most people missed this class. Luckily, the basic rules aren’t that different from the ones your mother tried to teach you about life in general:

- “Don’t trust strangers.”
- “Don’t put all your eggs in one basket.”
- “Don’t take all your savings to the amusement park.”
- “Don’t get into situations you can’t get out of.”

And my all-time favorite Advice-from-Mother:

- “If all your friends drove off a cliff, would you do it, too?”

You’ve used these rules successfully in other parts of your life; you need to apply them to your investing as well. Investing doesn’t have to be difficult, dangerous, complicated, or mysterious. It demands only that you relax and keep your head and that you approach the investment world in the same way you’ve handled the rest of your life—even if everyone you know chooses not to.

Whatever you do, don’t violate these basic rules in your eagerness to get rich or secure your financial future. Be careful in choosing other rules to abide by. There are many books written by Wall Street gurus, as well as numerous Options Trading workshops that promise the secret to shower riches down upon you... and they all sound so good. There are also those at the other end of the spectrum--giving you the time-honored methods of allocating your investment portfolio based on your age, etc, etc. And, that kind of sounds good too.

Keep in mind that the authors of those investment books are doing two things: 1) they’re trying to sell you their book, and 2) they are writing to a particular audience--and that may not be YOU. They don’t know your personal financial situation, and they don’t know your hopes and dreams. You have to decide if their advice applies to you--don’t automatically assume it does.

As an example, if I were to write a book on investing, I would cover a lot of different topics and try to offer some sound financial guidance which would apply to a very broad audience of readers--so a lot of people might buy the book. However, if someone bought my book and then decided to hire me to manage their investments for them—**they may be shocked!** Shocked that my approach to professional investment management might violate some of the guidance offered in my own book.

And yet, there is no contradiction here, because the book would be assuming that the investment activity was being carried out by a do-it-yourself layman investor. But the approach I use to professionally management investments is, and should be expected to be, a notch above that of the layman investor, and, more importantly, it would be specific to the needs of my client.



So, the bottom line is, don’t over-complicate things and try to get too fancy in your own investing. Not every book you pick up on investing was written specifically for you. Tackling all of your own financial issues and managing your investments can be over-whelming. If you find that it is a burden and you’re not quite mastering it, you may consider seeking out professional help. Professional advisors don’t have to make it complicated or difficult to understand. Your financial advisor needs to have three qualities: 1) put your interests first, 2) be a good listener and 3) explain things to you in a clear and easily understood manner. With these qualities, you’ll be in good hands. You know, your mom could have told you this—and probably did.



Montgomery Taylor, CPA

Client Benefits:

1. Expert tax-saving advice as a regular part of your income tax preparation
2. Professional Service Warranty that guarantees you the largest tax refund possible with the lowest tax liability
3. Your tax returns completed within eight business days of when you provide all necessary data
4. Your phone calls returned promptly (any time of year), always within 24 hours
5. Help with allocating your 401(k) investment funds
6. Monthly ClientAdvisor Newsletter
7. Professional online tax advice anytime ~ mtaylor@taxwiseadvisor.com

Platinum Tax Maintenance Program 2010 Member Benefits:

1. ALL CPA Client Benefits listed above, **AND**
2. Three phone consultations (20 minutes each or a total of 60 minutes) during the tax year scheduled through our appointment desk
3. W-4 review to be sure your withholding is correct
4. Audit assistance in the event you are subject to an audit for the 2010 year, limited to four hours of service at no additional expense
5. Answer all IRS notices and correspondence you receive for 2010 tax year
6. Answer FTB notices and correspondence including Head of Household Audit Letter for 2010
7. 1 additional copy of tax year 2010 tax return
8. \$50 discount on our fall tax planning appointments scheduled through our appointment desk

Montgomery Taylor & Company, LLC, Registered Investment Advisor Client Benefits:

1. Independent, unbiased, investment advice on a fee-only basis (no commissions)
2. Investment management for any account size (no minimums)
3. Monthly account statements directly from Fidelity Investments
4. Quarterly performance reports and consultation meetings
5. Tax-sensitive investing strategies integrated with your financial planning
6. Monthly ClientAdvisor Newsletter
7. Weekly Economic Update e-mail communication

College Plan Advisors, LLC Client Benefits:

1. Student Counseling and Assessment
2. Calculate Expected Family Contribution
3. College Funding Strategies & Planning
4. Complete your FAFSA Forms
5. Complete your CSS Profile Forms
6. Appeal/Negotiate Better Awards
7. Monthly Cash for College Newsletter
8. Monthly ClientAdvisor Newsletter
9. Weekly "Tip of the Week" E-Mails



Notes from Monty's private money management file...

Every month I write these notes about the investment activity in the **Green Label Portfolio**. Every quarter another report goes out about the Green Label holdings and activity. Also, every Monday I send out an e-mail to all investment clients, again, talking about investment activity.

What's with all this communication? Well, it's simple – I'm just trying to keep you informed and give you good service.

What's wrong with that? Absolutely nothing...unless you mistake all this communication to mean that we are constantly getting into the market and getting out of the market. No, I'm not doing some kind of market-timing thing.

These communications are intended to be general in nature, not client specific. For example, if I say in an email report that I put some new cash into gold bullion today, it may or may not even affect your account. And, if it does affect your account, it may be just one percent of your account—not one hundred percent.

The Green Label Portfolio utilizes a more dynamic approach to investment management, but don't confuse that with an aggressive market-timing strategy. The Green Label Portfolio simultaneously operates three different investment strategies. One of these makes up the "**permanent**" portion of the portfolio and the other two fit neatly into the "**variable**" portion.



The permanent portion makes up 60% of the portfolio and is rarely changed—only occasional adjustments based upon new economic developments.

The variable portion is divided into two segments. Thirty percent follows the primary trend of growth stocks during up markets and then reallocates this money to a position of safety during declining markets (corrections like 2008). The other 10% is used in a long/short strategy with the goal of taking advantage of short-term ups and downs in the market which would otherwise be missed by the other segments of the portfolio.

My strategy is **tactical asset allocation** and **good client service**—that's all...honest.

Wealth management services are offered through Montgomery Taylor & Company, LLC, a Registered Investment Advisor. Fidelity Investments is the custodian of our client accounts. While accounts are protected by the SIPC up to \$500,000, including cash claims limited to \$100,000, Fidelity provides supplemental protection that covers accounts over and above this SIPC coverage.



Monty's Money Message

Monty started his career in financial services about 30 years ago as a Stockbroker. He then became a Certified Public Accountant, Certified Financial Planner, Certified IRA Distribution Specialist and Registered Investment Advisor. With all these years of experience, he has a wealth of information to share with you about money and how you can prosper. Monty recently received the "America's Top Financial Planners" award of excellence from the Consumers' Research Council of America. Monty was selected from among his peers based upon years of experience, formal education and specialized professional certifications and designations achieved. In 2010, KZST Radio named Monty "The Only CPA We Trust" and chose him to be the tax expert for KZST listeners.

Online Exam to Test Teens' Financial Smarts

The blind leading the blind?

The U.S. Treasury Department has produced an online exam meant to boost what kids 13 to 19 know about saving, budgeting and investments. Online education materials posted for teachers cover investing for college and retirement, and managing expenses such as cell phones.

The voluntary personal financial exam will be online through April 8. Students and educators placing in the top 20% across the nation will be given official award certificates, and the students with the highest scores will be recognized in a ceremony in Washington this spring (at taxpayer expense).



Participating in the challenge will help students "understand the risks and benefits associated with debt from things like car loans and credit cards," Treasury Secretary Timothy Geithner said in a statement. "Empowering students with this knowledge is important for the long-term strength of our economy."

The 2011 National Financial Capability Challenge includes questions such as the following:
Suzie has \$5,000 saved from working at different jobs. She puts her money in a savings account that pays 4% per year in interest. How much money will be in her account at the end of the first year and at the end of the second year?

- A. End of first year, \$5,100; end of second year, \$5,400.
- B. End of first year, \$5,200; end of second year, \$5,400.
- C. End of first year, \$5,200; end of second year, \$5,408.
- D. I don't know.



You can check out more of the sample questions at this website:

www.challenge.treas.gov. Next, go to www.usdebtclock.org and consider the irony--the people wanting to teach our teens a thing or

two about money are the same folks who brought us the situation illustrated by the U.S. Debt Clock. This is appalling!

It really is too bad that every high school student isn't required to take a course in Consumer Math. When I was in school there was such a course, and yes I took it, but it was an elective that not many bothered with.

The majority of us "Boomers" didn't bother with Consumer Math for the same reason we are lax about planning for retirement. Raised after World War II, we Boomers bring to our mature years a different set of experiences than those of our parents. Many of our parents grew up during the Great Depression where they learned hard lessons about how money could disappear in a flash. We Boomers have lived through an era of unprecedented prosperity, easy credit and quick gratification. Most never really felt they had to put a nest egg away. We tend to have the attitude, "If I want something, I buy it. If I can't pay cash, I'll finance it. I'll worry about tomorrow when tomorrow comes."



The Problem? The average Baby Boomer has less than \$50,000 accumulated for retirement, primarily due to bad habits and investing money in places where economic downturns can diminish their nest egg. **The solution?** Social Security isn't the answer. Taking ownership is the answer—through asset optimization and equity management with proper financial planning.

In taking control of your finances there are some things you need to know--things for you to know and to pass on to your kids and grandkids, and things I wish I knew when I was a kid. No, don't bother with that government site noted above. I have a list of short, easy to read books that I think everyone on the planet should read. **Oops....** I've run out of room to include the list here. Well, just call my office and we'll mail it to you.

