

## Spring Cleaning — Put Your Financial House in Order

As you file away your forms and schedules at the end of the tax season, it's a good time to take a closer look at the big picture of your financial structure and tidy up where needed. Here's a checklist of key considerations to help you get started.

### **Lay a Balanced Investment Groundwork**

Does your current asset allocation — the mix of securities in your investment portfolio — still match your risk tolerance and time horizon? Stock market performance over the past few years may have altered the value of your stock holdings above or below the level you had originally intended. If so, consider rebalancing, either by selling some of your stock or bond investments or by purchasing more stock, bond or cash investments.

### **Create a Nest for the Future**

Rather than just hoping you'll have enough for a comfortable retirement, take some time to calculate how much you'll need — and how much you'll need to save. Your financial professional can help you establish a realistic accumulation goal and ensure that you're on course to reach it.

### **Check Your Family's Security System**

Insurance can help protect you and your loved ones from the costs of accidents, illness, disability, and death. It's an important part of any sound financial plan. However, your individual need for coverage will depend on your personal circumstances, including your age, family, and financial situation. A young, single person, for example, may not need much life insurance. A person with a growing family, on the other hand, may need to ensure adequate financial protection for loved ones.

### **Preserve the Assets You've Accumulated**

You may not enjoy thinking about what will happen after you're gone, but failing to plan could cost your family and loved ones. A sound estate plan can help preserve your assets and keep them from being unnecessarily reduced by taxes. The IRS currently allows transfers of up to \$3,500,000 in assets federally tax free. While that may sound like a limit you'll never approach, if you tally the appreciated value of your retirement assets, your home, and your other holdings, you may find otherwise. Your estate plan should include an up-to-date will and may make use of tools for charitable giving and joint ownership of property.

### **Debt Can Threaten the Foundation**

While you're putting the rest of your financial plan in order, don't neglect credit card balances or other outstanding debt. Consider ways to either reduce your debt or manage it better. For example, you might be able to save on interest charges by consolidating and transferring your credit card balance or by refinancing your mortgage.

Your financial house is a complex structure that needs regular upkeep. By staying on top of things and keeping your financial house in order, you'll be well on your way to reaching your goals.

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