

■ FINE TUNE YOUR 401(k)

Hopefully you gave your home and your financial records a thorough spring cleaning earlier this year. What's next? Consider giving your 401(k) account an annual summer check-up by reviewing a few investment planning basics.

MAXIMIZE CONTRIBUTIONS: Experts recommend saving 15% of your gross salary per year for retirement between your contributions and those of your employer. If you are not immediately able to save this much, save what you can and plan to increase your savings by 1 – 2% per year. Try to coordinate your increase with pay raises to minimize the pain!

401(k) rules for 2011 allow you to make contributions of up to \$16,500, and individuals 50 years or older can make a catch up contribution of an additional \$5,500. Make adjustments to withholding if needed to reach your maximum contribution.

GET THE MATCH: Be sure you contribute enough to get the full employer matching contribution, if offered. Don't leave free money on the table if at all possible!

INVESTMENT ALLOCATION: Do your asset allocations match your risk tolerance and your stage of life? If you are not sure, ask for help. Speak with your investment advisor or review 401(k) provider resources to make sure your investments are appropriate.

REBALANCE: Over time, your portfolio may stray from your original investment strategy. Many 401(k) plans offer the option to periodically rebalance your portfolio investments to match your original allocation. If your plan doesn't offer automatic rebalancing, make needed investment changes.

REVIEW BENEFICIARIES: Your spouse is automatically primary beneficiary of your 401(k) account. Make sure the correct person is named as your beneficiary, especially if you are recently divorced, widowed or remarried.

CHECK PAPERWORK: Have there been any changes to your retirement plan? Make sure to review your current plan offerings and take advantage of new plan features. Make sure you have a copy of the Summary Plan Description (SPD) document for your plan. If you don't, request a copy from your personnel department.

REPEAT! Set a reminder for yourself to perform your annual retirement review at the same time next year. It is much easier to adapt and change course if you regularly review your portfolio.

Each individual's retirement planning situation is different. This article contains tax information of a general nature and should not be acted upon without further consultation. Visit www.bayliscpas.com/services/ to learn more about our tax compliance and planning, financial planning and pension plan administration services.



■ PAI PENSION SERVICES, INC.

Did you know that Baylis & Company is now affiliated with PAI Pension Services, Inc.? We are pleased to announce that in January, 2011, our businesses joined together to offer enhanced services to our respective clients.

Baylis & Company Managing Partner Edie Yates, CPA, CFP, sums the relationship up best. She says, "We were excited to welcome PAI founder and President Jerry Cohen, Vice President Barbara Cohen, and the rest of the PAI team to our business family this year. PAI was founded on a steadfast commitment to contribute to their clients' growth and success by providing excellent service and accurate work. PAI will be a great compliment to our Firm's core services."

PAI Pension Services provides pension plan design, pension plan administration, consulting and compliance services to businesses and organizations. Visit www.paipension.com to learn more about PAI Pension Services.

■ GETTING TO KNOW TONY ENRIQUEZ



This year we have had the privilege to get to know Antonio (Tony) Enriquez. Tony is PAI Pension Services, Inc.'s Plan Administrator. Tony holds a Bachelor of Science degree in Finance from Kean University in Union, NJ and he holds a Florida 2-15 Life, Health and Variable Annuities license.

Tony has 12 years of experience in pension plan administration and previously worked in the health insurance industry for several major carriers. Tony takes great care to establish friendly and responsive relationships with PAI clients. He says he really enjoys helping clients with plan administration, compliance and reporting matters, and working with plan participant requests.

Tony speaks fluent Spanish and enjoys frequent visits with and from family and friends in Puerto Rico. He and his wife, Ruth, are active in the leadership team for Iglesia Misionera church in Auburndale, where he serves as Treasurer. He has a son, Antonio Omar, and daughter, Amanda Marie, both of whom are enrolled as students at the University of South Florida.

■ CLOSING THOUGHTS

Since this month's newsletter focused on 401(k)s and retirement and pension plan administration, here are a few lighthearted quotes about retirement:

The question isn't at what age I want to retire, it's at what income.
~ George Foreman

I care about our young people, and I wish them great success, because they are our Hope for the Future, and some day, when my generation retires, they will have to pay us trillions of dollars in social security.
~ Dave Barry

Please visit our website at www.bayliscpas.com

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