

OLD DOMINION

CAPITAL MANAGEMENT, INC.



The end of the year is approaching and it's a great time to take steps that can help improve your personal finances. Some items to consider:

- If you're not retired, maximize your contributions to retirement accounts such as IRAs and 401(k) s. It's a great way to reduce your taxable income while building your nest egg.
- If you or your spouse is 70½ or older, Required Minimum Distributions (RMDs) must be taken before Dec 31. Otherwise you could incur an additional 50% penalty tax. If you are charitably inclined, give all or part of your RMD directly to charity and avoid having it included in your adjusted gross income.

- Make charitable contributions that you want to be able to claim as a deduction on this year's tax forms. Even if you make a donation by credit card, you do not have to pay it off in 2019 to receive the tax deduction.
- Compare this year's spending against your budget and make any necessary adjustments for next year.
- Do you expect to earn more next year? Consider putting all or part of your expected increase into savings.
- Spend your Flexible Spending Account (FSA). If you have a Flexible Spending Account and have money left, get caught up on your doctor and dentist visits, eyeglasses, prescriptions, etc. Many plans only allow you to carry over \$500 for 2 ½ months after the end of the plan year.
- Take some time to define your family's financial goals and concerns for next year:
 - Do you want to save more for retirement? Or for college?
 - Is a particular budget category consistently over budget?
 - Do you expect any unusually large bills next year such as college tuition or a new roof?

Taking the time to address these items now can help make next year and many future years a success.

**We wish you all peace, health and happiness
during the holidays and throughout the
New Year!**

RISKS AND OTHER IMPORTANT CONSIDERATIONS

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INDEX PERFORMANCE DISCLOSURES

No investor can invest directly into a passive index. Investors should be aware that you cannot achieve the returns shown because an actual account will incur operating and management expenses from its investment and possibly advisory, custodial and/or recordkeeping expenses. The performance returns sampled here do not represent the impact that material economic and market factors might have on an investor's decision making process if the investor were invested in the market. The calculation of performance differs from actual account performance because the investment strategy may be adjusted by a client at any time for any reasons. The performance returns sampled here reflect the reinvestment of dividends and other distributions. Third party sources collect the data from financial institutions and related types of entities that created the indices and publish the indices values periodically. The third-party sources then calculate performance used in this document. All data is believed to be reliable but is not independently verified by ODCM.

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