

CHECKLIST

Year End Planning – Top Considerations to Enhance Your Finances

As we approach the end of the year, it's a great time to look at areas of your financial life to make sure you are heading in the right direction. Below, you will find a checklist of items you should consider reviewing to make sure your financial life is in good order.

Cash Flow

- If still working, review your saving plan and try to increase your savings if possible, utilizing the following order:
 - Contribute to employer-provided retirement plan to get maximum match from employer
 - Maximize your Health Savings Account (HSA) contribution if you have access to one
 - Contribute any excess cash flow to employer-provided retirement plan up to the limit
 - Consider funding Individual Retirement Accounts (IRAs) (Traditional or Roth) if eligible
- If you have a Flexible Spending Account (FSA), spend remaining balance before year-end
- Fund 529 accounts (College Savings Accounts) for children/grandchildren
- Make sure your Emergency Reserves (Rainy Day) fund is adequate – 3-12 months of expenses
- Review your budget/spending plan for next year to make sure you are living within your means
- Revisit your debt management plan & pay down debt if possible and desirable

Tax Planning

- Consider Roth IRA conversions if this makes sense in your situation
- If taking Required Minimum Distributions (RMDs), be sure to take distribution
- Adjust tax withholding for income sources if needed (Payroll, IRAs, quarterly tax payments, etc.)
- Check for Capital Loss Harvesting (CLH) opportunities in your taxable investment account

Estate Planning & Charitable Giving

- Review and update your beneficiary designations (retirement accounts, life insurance, etc.)
- Review your estate planning documents annually and make sure they are up-to-date
- If retired and gifting to family is part of your plan, execute those gifts
 - Consider setting up a Roth IRA for children/grandchildren if they have earned income
- Fulfill charitable giving and plan for next year
 - Consider bunching contributions, donating highly appreciated securities, Qualified Charitable Distributions (QCDs) if over 70.5, Donor Advised Funds (DAFs)

Investment Planning

- Verify your asset allocation and diversification (overall and at account level) is still appropriate
- Look for rebalancing opportunities in your accounts (buy low, sell high)

Insurance Planning

- Review insurance policies – homeowners, auto, life, disability, long-term care
- Assess status of health insurance deductible – consider accelerating or postponing medical items
- Plan for open enrollment decisions – healthcare insurance if working or Medicare if retired

Retirement Planning

- Revisit financial goals to make sure they are still relevant and realistic
- Review and update financial projections for accuracy
- If not yet retired but getting close, plan for how you will spend your days – what are you retiring to?
- If retired, develop and revisit your income stream and make sure it is as tax-efficient as possible

BONUS TIP – CHECK YOUR CREDIT REPORT

Under federal law, a consumer is entitled to one free credit report every 12 months from each of the three major credit bureaus: Equifax, Experian, and Transunion. Under Federal Trade Commission (FTC) rules, these credit bureaus must provide a central access point where a consumer may request a copy of her or her credit report at www.annualcreditreport.com. It is advisable to do this on an annual basis (or more if applying for a mortgage) to ensure that your credit record remains accurate and for awareness against identity theft.

ACTION ITEMS

- Review checklist
- Have conversations with qualified professionals
- Make this a routine event once a year



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