

# 8 POINT YEAR-END FINANCIAL PLANNING CHECKLIST

## The end of the year is when a lot of deadlines come up.

So, as we head to the end of the year, now is a great time to make sure your financial plan is still on track.

And it's wise to use a checklist to see where you are and what you should do.

Here are eight of the most common and important items to review with your financial advisor:

## 1. YOUR GOALS

When you first met with your financial advisor, you outlined long-term goals and worked with your advisor to build a financial plan to reach them. You have been working toward those goals ever since.

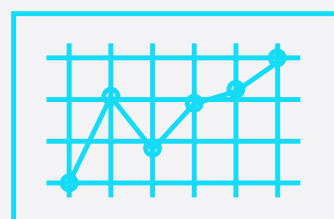
But have your goals changed? Or have other things changed that might make reaching those goals more challenging or easier?

If you're really honest, the likelihood that something has changed is pretty high. Maybe you've had some health worries this year, want to retire a little sooner or perhaps you discovered a new passion. The point is your advisor needs to know and your financial plan needs to reflect these changes.

## 2. YOUR PERFORMANCE

This is one that gets a lot of attention, so it's unlikely you have to even ask. But it's important that you understand how you performed relative to your goals as opposed to relative to indices that might not be appropriate.

Sure, it helps to measure your results relative to major market indices, but there is not one single index by which your performance should be measured. But if you are not measuring your performance against your goals and a group of indices, how do you know whether you're on track or not?



## 3. CHARITABLE GIFTS

Many nonprofits and charities ramp up their efforts at the end of the year to ask for contributions. And many of us forget to contribute until the end of the year, too. In fact, nearly one-third of all giving happens in the month of December, and 12% of all giving happens in the last three days of the year.<sup>1</sup> **Why wait?**

## 4. 529 PLAN CONTRIBUTIONS

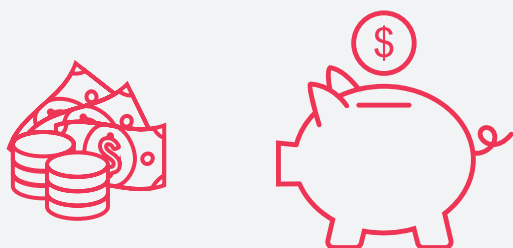
*If you are funding a 529 college savings plan, be sure that you contribute the maximum amount that you need for this year by December 31st. Most state plans require your contributions to be postmarked by the deadline, but you should check with your specific 529 plan for their contribution rules.*

*You can set up automatic contributions into these plans on a regular basis to avoid a year-end scramble. Now is a good time to set up automatic savings from your checking or savings account for next year.*

## 5. RETIREMENT PLAN CONTRIBUTIONS

Yes, you have until next April 15th to contribute to IRAs for the current tax year, but most other retirement plan contribution deadlines are December 31st. This applies to establishing new plans such as simplified employee pension plans and SIMPLE (Savings Incentive Match Plan for Employees) IRAs.

If you receive a bonus, make sure you tell your employer to put a portion of your bonus into your 401(k) or other retirement savings plan at work.



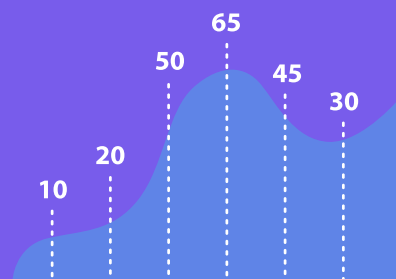
## 7. UPDATE YOUR BENEFICIARIES

As you reflect back over the year, think about anything that may impact who you want designated as your beneficiaries. It is not uncommon for people to overlook the importance of keeping the beneficiary form updated. This one-page document, not your will, decides who gets your retirement account.

If you got married, had kids, or got divorced recently, chances are the form is out of date. Should something happen to you, your family members may be shocked to find out who is or isn't going to be the recipient of your 401(k) money. Most plans give you online access to the form, so make sure you capture any changes.

## 6. TAX LOSSES AND GAINS

You must take all realized tax losses (or gains) in your portfolio by December 31st. You should also review your year-to-date gains or losses and any tax-loss carry-forwards from previous years with your financial advisor.



## 8. YEAR END IS STRESSFUL ENOUGH

Year-end can be a very busy time, especially when you factor in holiday shopping, family visits and social events. Just be sure to meet with your advisor to take care of all these financial planning items as soon as possible to avoid missing deadlines. And remember that the bank, brokerage or advisory firm that handles your accounts is processing tens of thousands of year-end transactions, so you want to give them ample time to handle your needs.

