

Money

BUSINESS,
CONSUMER &
PERSONAL FINANCE

Financial resolutions

Local experts offer suggestions for those New Year's goals

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READING EAGLE

Change — it's a New Year's resolution year in and year out. But New Year's resolutions

of change are easier said than done.

And changing money habits may be the hardest change of all.

We usually learn about mon-

ey from our parents — and we often do the same as they did or just the opposite.

So turning around years of financial habits can take discipline and advice.

To that end, local financial experts offer their resolutions for you:

INVEST in a Roth IRA early in the year and get the full year and future years of tax-free growth.

Convert traditional IRAs to Roth IRAs so you pay tax now while rates are low and have tax-free growth and use of the money tax-free when tax rates will more than likely be higher.

Richard A. Kaufman
Kaufman Financial Services
Shillington



MEET WITH an adviser to calculate what long-term medical care could cost, both for staying at home or living in a nursing facility. Plan to address those costs by spending retirement assets or buying a long-term care insurance policy or both.

Update your primary and contingent beneficiary designations on your life insurance, annuity, traditional and Roth IRAs, and employer pension and 401(k) plans. If you don't have an up-to-date will, stop procrastinating.

James L. Adams
Adams & Associates
Blandon



EMPLOYER-BASED RETIREMENT plans, such as 401(k)s, are a painless way to set aside money. Ask at work if there is a Roth option. Get started or raise the percentage of current contributions.

Become a student of history and of the markets. Many of the lessons from the past continue to apply to markets today.

Bob Wert
Wert Financial Group
Wells Fargo
Spring Township



LOOK FOR ways to maximize your tax deductions — prepay your January mortgage payment, prepay your state and local estimated taxes, bunch together your medical expenses to see if you have enough to itemize, make gifts to charity and review holdings.

You may have stocks or funds that can be sold at a loss. They can offset gains and also be used to offset a \$3,000 loss against ordinary income.

Michael P. Butterworth
M.P. Butterworth & Associates
Kenhorst



CHOOSE ONE financial skill to improve in 2013 and map out goals to ensure progress is being made. By narrowing your focus, you will have more time and energy allocated to a specific goal which will increase your chances of success.

Identify a not-for-profit organization that needs assistance and volunteer your time and energy. In addition to being an in-kind donation, community involvement is very fulfilling and a good complement to work and family life.

James T. Barnes
National Penn Investors Trust Co.
Wyomissing



SAVE MORE, spend less.

Increase your financial literacy. The more knowledgeable you are, the more active you'll be in planning to reach your financial goals.

Beth Gallen Mastromarino
Van Reed Wealth Management
Spring Township



MAKE THE financing of your retirement plan automatic through monthly payroll, savings or checking account deductions.

Look beyond CDs for guaranteed income. There are various options depending on your risk tolerances and guaranteed income needs.

Jay R. Kemmerer
Berkshire Advisors Inc.
Wyomissing



CREATE A budget and realize a budget is not a financial diet. It should only tell you where your money comes from and where it goes. When you see where you are spending, then you may ask, "Is this how I really want to spend my money?"

Invest for the long run. Look for quality stocks with dividends which will enable you to earn additional income.

Craig D. Hafer
Walsky Investment Management Inc.
Spring Township



PAY YOURSELF first. Set aside an amount such as 5 percent or 10 percent of your paycheck and automatically have it transferred to your savings or investment account.

Seek professional advice to address questions about retirement income, tax reduction, estate planning, how new laws may affect you and other issues. Make sure you have good chemistry.

Andrea J. Wilson
Cornerstone Financial Strategies
Exeter Township



REBALANCE YOUR portfolio to accommodate your risk tolerance.

Don't overreact to negative headlines. Make your decisions based on the fundamentals of the investments.

Leanne L. Biers
Edward Jones
Ephrata

