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# The Long-Islander

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## Part 1: Annual Financial Checkup

By **Jon L. Ten Haagen, CFP®**  
[asktheexpert@longislandergroup.com](mailto:asktheexpert@longislandergroup.com)



Yes it happens every year about this time, or at least it should! There are many areas to look at and we will list a few here for your consideration. You might want to consider making a list of these areas of concern so they are in front of you during the year.

This time of year becomes a blur with all we have going on, so here are some topics that could benefit you and yours.

Review and rebalance your portfolio(s). It's been a very good year for the market and your equity positions may be up in value. If your gains are in a qualified plan you may want to do adjustments before year end. If the gains are in a personal taxable account you should consider your tax bracket in 2017 vs. what it might be in 2018. Also, look to see if your portfolio has become unbalanced with gains throwing off your asset class percentages.

This is a time of year to look at harvesting your losses, however, I don't believe you have many if at all. Thank you, markets! If you do have losses review that they are long or short-term in nature and balance them off by selling a winner or two. Great way to reduce taxes.

If you have a 401k (403b, 457) qualified plan from an old employer, consider rolling it over to your own IRA plan. A lot of 401k plans do not perform well due to limited investment choices and an employer's desire to have a 'calm' portfolio that will not be too radical. Also the internal expenses may be high. It is usually not the best idea to roll your old plan into the new employer's plan for the

same reason – limited investment choices and mediocre returns.

Consider moving the money/plan to your own IRA. This will give you control of your investment and you also have far more investment plan choices. Make sure if you move the funds that you do it trustee-to-trustee rather than taking monies and being sure you get them into the new qualified investment within the 60 day rule.

If you may add money to a qualified plan going forward, consider a ROTH IRA.

Now is a good time of year to consider creating a budget for next year which can oversee your spending. Review your emergency fund – if you have one – to make sure you have adequately funded it. If you do not have one, consider starting one now. It doesn't have to be funded fully up front, but to start one and build upon it is a great idea. Also, do you have automatic investment plan. Over a short time this will become out of sight and out of mind and gives you comfort knowing you are building for your future. You should try to build up your saving to a 10-15 percent amount or more. Make sure your investment is well diversified for both the ups and downs of the markets.

Review your insurance policies. Most homeowners have insurance. If you are a renter, make sure you have insurance too. Research shows that over 60 percent of renters do not have insurance. I personally have a nice collection of marine artwork. I cannot imagine if there were a fire or theft. The replacement costs, if I could even find replacements for some of the pieces, would be staggering. Renter's insurance is not terribly expensive and the comfort of knowing you are covered helps you sleep well at night.

While you are at it, review all your insurance policies.

A number of years ago I did a study of my automobile insurance expenses. Turns out by finding another reputable company I saved about \$1,000 per year in premiums. Do your homework. Also, review your coverages and need for new policies if you have a life change –

wedding, divorce, death, new child, grandchild, etc. You may need more coverage or less and or a new policy to cover new needs.

Thank you as always for reading my column and as always we welcome your feedback as to the helpfulness of the content and how it benefits you and yours.

Happy holidays and keep on reading.



*Huntington's Jon L. Ten Haagen, CFP, runs Ten Haagen Financial Services, Inc., a full-service independent financial planning firm, and he is here to answer your questions. In this bi-monthly column, Ten Haagen will answer your financial questions and help you with his expert financial advice. Don't be shy, our expert is here for you, so feel free to ask away! Email your questions to [asktheexpert@longislandergroup.com](mailto:asktheexpert@longislandergroup.com) today, and let our expert help you.*

*\*Ten Haagen is an Investment Advisor Representative offering securities and advisory services offered through Royal Alliance Associates, Inc., member of FINRA/SIPC, and a registered investment advisor. He is also an active community member, serving on several nonprofit boards and as executive officer of the Greater Huntington Boating Council.*

*\*\*BACK IN HUNTINGTON: The offices of Ten Haagen Financial Services, Inc. have moved back to 191 New York Ave., Huntington. Friends and clients are welcome to stop by, check out the new office and share a cup of coffee with the expert!*