

Make 2017 Your Best Financial Year Ever

No matter where you are in life, you can start making steps to improve your finances.



Do you want to improve your finances in 2017? Making resolutions is common this time of year, but in order to actually follow through and achieve success, it is important to make a specific plan.

Write down your financial goals and talk about them with your spouse or family to create accountability that can up the odds of success.

"One of the best ways to make resolutions stick – be they financial or otherwise – are to tell others your goals," says Bob Gavlak, certified financial planner and wealth advisor with Strategic Wealth Partners in Columbus, Ohio.

"If you give other people insight into your goals, make them concrete and make yourself accountable, there is a much better chance that you'll be able to stick to them for the long term," Gavlak says. "Or, make it a contest. Even if it is you versus your spouse to see who can save more money over the next 12 months, contests are great ways to stay motivated and focused." Another easy way to make a goal attainable is to make it automatic, says Josh Jalinski, president of Jalinski Advisory Group and CEO of Wealth Quarterback in Toms River, New Jersey. "Increase how much you set aside for retirement at the beginning of the year so that it automatically deducts from your paycheck. Set up an auto save account, which is a separate checking or savings account that is set up as a holding pen for forced savings. Try checking with

your HR department to see if you can set up two direct deposits – one for your general expenses and one for your emergency fund savings," Jalinski says.

Here are 10 tips to help make 2017 your best financial year.

In your 20s

When you are young, thinking long term does not come naturally, says Kathleen Hastings, certified financial planner and portfolio manager at FBB Capital Partners in Bethesda, Maryland. "Aging creeps up on you sooner than you think it will. Start to think about what you want in your life. What are your hopes and dreams? Let your money work for you over time rather than waiting and having to work harder and longer to catch up."

Find a job you love. Your career is your largest financial asset, says Stacy Francis, founder of Savvy Ladies, a New York nonprofit that provides personal finance resources to women at no cost. "Do the legwork now to find a career that you love."

Track your spending for one month and create a budget. Practice living within your paycheck and not carrying credit card debt, Francis says.

In your 30s

Start saving for your child's college. "We give ourselves permission to spend discretionary money on our children, but do they really wear all the new clothes and play with those expensive toys?" Hastings says, "Consider instead, opening a 529 plan and use some of those dollars to save for education purposes. Some states offer a tax incentive to do so."

Save for long-term goals. Your 30s are the start of your prime earning years, and may still include years without the heavy financial responsibilities of children and a mortgage, Francis says.

"You should be working towards making the maximum contribution to your 401(k)," Francis says. Start building savings for other big-ticket items. "Set up a high-yield savings account for a house, wedding, large vacations."

In your 40s

Continue with your savings plan and keep debt to a minimum. Don't get caught up in trying to keep up with the Joneses, Hastings says. "In our consumer-oriented environment, it's important you don't get drawn into living beyond your means and letting discretionary spending get out of control. Exchange immediate gratification for longer term security," Hastings says. Francis recommends saving 20 percent of your pre-tax income for the long term.

Create your estate plan now. If you've made it to your 40s and haven't created an estate plan, there's no better time to start than now, says Neil Krishnaswamy, certified financial planner at Exencial Wealth Advisors in Frisco, Texas. Consider a consultation with a financial advisor and or an estate attorney to create a will, financial power of attorney, living will and advanced medical directives.

Take advantage of workplace perks to reduce household expenses. "These are the prime income years, and also when household expenses tend to peak due to children and mortgages," Francis says. She points to three potential perks that can save you money:

- Explore a flexible savings account or health savings account. These plans allow you to save pre-tax dollars, which you can then use for health-related and/or childcare expenses.

- Many workplaces reimburse gym memberships, but some require quarterly forms to qualify. Make a point to utilize this and any other reimbursements you may have been putting off.
- Purchase transportation passes/bridge tolls through your paycheck using pre-tax money.
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