

## MAKING CENTS

### A TOP 10 FOR YOUR 2010 FINANCES

-John P. Napolitano, CFP®, CPA, PFS, MST, RLP®



**Y**ou know what they say about goals: simply writing them down is half of the battle. So today I am creating a top-10 list of financial issues over which I strongly suggest you take control.

1. Create an accurate statement of your net worth. This would include a list of everything you own and what it is realistically worth, and everything you owe. Think about what you'd like to change over the next year and write down those goals.

2. Prepare an accurate cash flow statement. It is negligent not to know what it costs for you to live every month and just how much income you'll need to make it work.

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3. Start a regular savings plan - it could be a 401(k), a savings account or something for your children or grandchildren.

4. Buy enough life insurance to meet your family's needs. It is heart-wrenching to read about people who died without life insurance and to see their heirs pleading for donations.

5. Review your portfolio objectively. Too many people simply hold on to investments because they already own them, or they are waiting for them to "come back" before selling them. Your holdings should match your needs, time frame and risk tolerance.

6. Start planning to trim your 2010 tax bill now: getting a grip on the things you can do throughout the year is critical to minimizing your income taxes.

7. Get a will. If you don't write a will, you will cede control to the state over how your estate is divvied up. If you have any complications, such as a business, special needs children or a lot of assets, you may need more than just a will.

8. Pay down credit cards and other revolving debt. This may be one of the toughest things to master if you're overloaded with credit card debt, but please find a way to eradicate that debt.

9. Stop taking financial advice from friends, relatives and TV talking heads. Find a good financial planner and get some professional advice. One place to start: the "find a planner" section at [fnapet.org](http://fnapet.org).

10. Get in shape. Your body has a lot to do with how your mind works. If you feel healthy, it will make it easier for you to get these other nine things done.

Everyone's needs are different, but if you can knock off these 10 items this year, you'll look back next year and feel pretty good about yourself. Good luck and Happy New Year.

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