



Healthy Personal Finance Resolutions for the New Year

The new year is the time when many individuals start making resolutions to live a healthier lifestyle. And while resolving to eat better and exercise more is a good thing, you should be sure to make resolutions that pertain to the overall health of your personal finances as well.

DEVELOP A BUDGET AND STICK WITH IT

A good way to start the year on the right track financially is to make sure that you have a budgeting system in place. Start by identifying your income and expenses. Next, add them up and compare the two totals to make sure you are spending less than you earn. If you find that your expenses outweigh your income, you'll need to make some adjustments to your budget plan (e.g., reduce discretionary spending).

Once you have a budget, it's important to stick with it. And while straying from your budget from time to time is to be expected, there are some ways to help make working within your budget a bit easier:

- Make budgeting a part of your daily routine
- Be sure to build occasional rewards into your budget
- Evaluate your budget regularly and make changes if necessary
- Use budgeting software/smart phone applications

SET FINANCIAL GOALS OR REPRIORITIZE CURRENT ONES

The new year is also a good time to set new financial goals and reprioritize your current ones. Take a look back at the financial goals you set for yourself last year--both short- and long-term. Perhaps you wanted to increase your cash reserve or save money

for a down payment on a home. Maybe you wanted to invest more money towards your retirement. Did you accomplish any of your goals? If so, do you have any new goals that you would now like to achieve?

Finally, have your personal or financial circumstances changed during the past year (e.g., marriage, a child, job promotion)? If so, would any of these changes warrant a reprioritization of some of your goals?

MAKE SURE YOUR INVESTMENT PORTFOLIO IS STILL ON TARGET

You'll also want to be sure to review your investment portfolio to ensure that it is still on target to help you achieve your financial goals for the upcoming year. To determine whether your investments are suitable for reaching your financial goals, you'll want to ask yourself the following questions:

- Do I still have the same time horizon for investing as I did last year?
- Has my tolerance for risk changed?
- Do I have an increased need for liquidity?
- Does any investment now represent too large (or too small) a part of my portfolio?

MAKE IT A PRIORITY TO REDUCE DEBT

Any healthy financial plan is one that makes reducing debt a priority. Whether it is debt from student loans, a mortgage, or credit cards, it is important to have a plan in place to pay down your debt load as quickly as possible. The following are some tips to help you manage your debt:

- Keep track of all of your credit card balances and be aware of interest rates and hidden fees

- Develop a plan to manage your payments so that you avoid late fees
- Optimize your repayments by paying off high-interest debt first or consider taking advantage of debt consolidation/refinancing programs
- Avoid charging more than you can pay off at the end of each billing cycle

REVIEW/TAKE STEPS TO IMPROVE YOUR CREDIT HISTORY

Having good credit is an important part of any sound financial plan, and the new year is as good a time as any to check on your credit history. Your credit report contains information about your past and present credit transactions and is used by potential lenders to evaluate your creditworthiness. A positive credit history is important since it allows you to obtain credit when you need it and at a lower interest rate. Good credit is even sometimes viewed by employers as a prerequisite for employment.

Review your credit report and check it for any inaccuracies. You'll also want to find out whether or not you need to take steps to improve your credit history. To establish a good track record with creditors, make sure that you always make your monthly bill payments on time. In addition, you should try to avoid having too many credit inquiries on your report (these are made every time you apply for a new credit card). You're entitled to a free copy of your credit report once a year from each of the three major credit reporting agencies. You can go to www.annualcreditreport.com for more information.

Government Benefits for Returning Service Members

U.S. military servicemembers returning home often enter civilian life facing financial challenges they hadn't encountered while in the military. Many young men and women enter the military right out of high school and haven't had to hunt for a job or worry about wages, housing, or health care. Here are some benefits and programs offered by the government and other entities that may help returning veterans transition into civilian financial life.

COMPENSATION AND PENSION

Some servicemembers may be eligible for military retirement pay based on their qualifying base pay and the number of years of service completed. Generally, the servicemember must have completed 20 years of service. The longer the period of service, the higher the retirement pay. Specific information on how retirement pay is calculated can be found at the Department of Defense website, www.defense.gov.

HEALTH BENEFITS

Veterans and separating servicemembers (including their dependents, in some cases) may be eligible for health care based on a number of factors, including the nature of discharge (e.g., honorable, other than honorable, dishonorable), length of service, whether the veteran has sustained any service-connected disabilities, and income level. Some of the available programs are long-term, while others are temporary and provide transitional health-care benefits. For more information, go to the VA website at www.va.gov.

Retired servicemembers and their qualified family members also may receive health-care coverage through the Department of Defense health-care program known as TRICARE. Servicemembers may receive care either through military or civilian providers depending upon the availability of medical care at select military facilities and the TRICARE option chosen. For more information, see the TRICARE website at www.tricare.mil.

EDUCATION AND TRAINING

The training servicemembers receive while on active duty may not readily translate to marketable job skills in civilian life, so servicemembers may want to go back to school for further education and training. Fortunately, servicemembers and veterans may be eligible for education benefits under several programs. The Post-9/11 GI Bill is available for veterans who served in the military for at least 90 days aggregate after September 10, 2001 (or 30 continuous days, honorably discharged for a service-connected disability). Other benefit programs include the Montgomery GI Bill, the Reserve Educational Assistance Program (REAP), and the Veterans Educational Assistance Program (VEAP). Other programs include loan repayment and tuition assistance, scholarships, work-study, and tutorial assistance programs. For more information, visit www.gibill.va.gov.

EMPLOYMENT

Finding a job after leaving the military can be a frustrating experience. But several programs are available to help land the right position. The Department of Labor Veterans' Employment and Training Service in each state offers employment and training services to eligible veterans through the Disabled Veterans' Outreach Program and the Local Veterans' Employment Representatives Program.

Qualified veterans who have been honorably discharged receive an extra 5 points when passing any competitive examinations if they earned a campaign ribbon or spent time on active duty during certain periods. Qualified disabled veterans and veterans who were awarded a Purple Heart (and qualifying family members) can receive an extra 10 points on examinations. This means that the hiring preference for veterans doesn't guarantee a job to the veteran, but it does give the veteran a slight advantage.

HOME LOANS

The VA guarantees loans to servicemembers, veterans, and reservists who want to purchase a home, condominium, or manufactured home. The loan is issued by a financial institution but guaranteed by the federal government. The primary advantages of VA home loans are that they require no down payment and, because the loan is partially guaranteed by the federal government, no mortgage insurance payments. For more information on VA loans, visit www.homeloans.va.gov.

LIFE INSURANCE

Servicemembers are eligible for coverage under Servicemen's Group Life Insurance. Servicemembers are automatically insured for \$400,000 but can elect a lesser amount or decline coverage. However, this coverage terminates 120 days after you leave active duty. One option is to convert to Veterans' Group Life Insurance, but the premiums may be more expensive for a healthy veteran when compared to a commercial plan, especially group coverage that might be available through an employer.



Wealth Management | Investments | Insurance

Winter Haven | 799 Overlook Drive
Phone 863-326-9833 | Toll Free 800-425-8242
Fax 863-875-1855

Winter Garden | 12200 W. Colonial Drive, Suite 303
Phone 407-614-3814 | Toll Free 800-346-3196
Fax 407-614-3815

Orlando | 2519 E. South Street |
Phone 407-896-9135 | Fax 407-896-9852

Online | www.ingramfinancialgroup.com

Copy prepared by Broadridge Investor Communication Solutions, Inc. Copyright 2011

Securities offered through Investors Capital Corporation. Member FINRA/SIPC. Advisory services offered through Ingram Advisory Services, LLC.