

Spring  
2017  
Edition



## What You'll Find Inside This Issue:

- 2** Six Spring-Time Money Moves  
Glossary  
Financial Facts  
Financial Funnies

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- 3** Shred-It Event  
Apps That Can Help With Your Finances  
Notable Quotables

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- 4** Spring 2017 Quiz  
L&M in the Community  
Resources to Help You

For more information about L&M's services or to schedule an annual review, just fill out the enclosed, prepaid reply card.



## L&M Profile



## L&M "We Show Up!"

L&M Financial representatives have been providing benefit programs and financial services to individuals, families, and small businesses since 1972, and through their affiliation with Securities America, Inc. since 2007. But we're not simply a team of financial planners managing money. We are trusted advisors, life coaches, and loyal partners. We truly care about our clients' well being. And we strive to build long-term relationships with each and every one of them. In other words, "we show up." By showing up, we help our clients make smart financial decisions – so they can enjoy life and focus on what matters most.

Through our offices in Buffalo, Rochester, and Binghamton, our nearly 100 employees and representatives, and the latest in technology, we offer our clients guidance that is consistent with their goals for the future. For more information, contact us at 716-839-1234 or 800-326-8410, or visit us online at [www.lmf.net](http://www.lmf.net).

## Seven Steps to Cut Out Financial Clutter

Financial clutter isn't always visible, like other clutter in your home. That's one reason it's so easy to put off dealing with. But when you take the time to gain control over it, the payoff can be big. Not only will you be able to streamline your financial life, but you can also reduce your risk of identity theft and enjoy greater peace of mind.

Not sure where to begin? Here are seven steps to help get you started:

### Step #1: Make a list.

In order to start the clean-up process, you need to know what you have and where it is. That's why the first step is to make a list of your financial accounts. This includes credit cards, investment accounts, important documents (such as your will and life insurance policy), and other assets and debts. Once you know where you stand, you can get a better sense of what you need and what you don't.

### Step #2: Consolidate where you can.

Most people need only a couple of bank accounts. More than that could be causing you a financial headache. Once you've made your list of accounts, evaluate them to determine which ones offer the best services, the lowest costs, and the highest interest rates on your savings and CDs. You can then eliminate the rest. Just be sure to transfer any automatic payments or deposits before closing them. Follow the same process for your credit cards.

### Step #3: Don't forget to automate.

Today's banks and investment firms typically offer the option of receiving statements by mail or electronically. If you're being bombarded by paperwork in the mail, then consider the latter. Choosing automation means you still have easy access to account information, including balances



and histories, while significantly cutting down on financial clutter.

### Step #4: Open a safety deposit box.

Do you have passports, wills, Social Security cards, stock certificates, and savings bonds stashed in various places all over your house? Get them into a single, secure place by opening a safety deposit box. That way, they're not at risk for theft or damage. You'll also know where they are at all times, making life a little easier.

*continued on back cover*

## Glossary

### 401(k)

A retirement savings plan, sponsored by an employer, that lets employees save and invest a portion of their paycheck before taxes are taken out. Taxes are then paid once the money is withdrawn.

### Accelerated payments

Making additional, unscheduled payments on a loan at either predetermined, or random intervals, thereby paying off the loan at a faster rate.

### Bank reconciliation

The process of matching and comparing figures from the accounting records to those displayed on a bank statement in order to uncover discrepancies and ensure accuracy.

### Individual Retirement Account (IRA)

This type of retirement account allows individuals to direct pre-tax income towards investments that can grow tax-deferred; no capital gains or dividend income is taxed until it is withdrawn.

### Withholdings

The portion of an employee's wages that is not included in their paycheck because it is paid directly to the federal, state, and local tax authorities. Withholdings reduce the amount of tax employees must then pay when they submit their annual tax returns.

## Six Spring-Time Money Moves



Spring isn't just a good time for cleaning out your house. It's also the ideal time to ensure you're on your way to meeting your bigger financial and retirement goals. To help you in the process, here are six spring-time money moves to consider making:

### 1. Max out IRA contributions.

April 17, 2017 is the last day you can make 2016 contributions to your tax advantaged IRA accounts. For those under age 50, the maximum amount you can contribute is \$5,500; for those over 50, it's \$6,500. Also, if you received a raise at the beginning of the year, then now is a good time to increase your contributions to your 401(k) account.

### 2. Review tax returns.

If you got a big refund check, or if you're self-employed and had to pay a higher-than-typical amount, it's time to evaluate your situation. If you're a salaried worker and received a large refund, you're giving a tax-free loan to the government. So consider lowering your withholdings. However, if you paid out more than expected, think about increasing your quarterly payment amount so you're not hit with a huge tax bill each year.

### 3. Cut debt.

It's much easier to maintain a high quality of life and save

for a comfortable retirement if you don't have a lot of debt. So look for ways to reduce the amount of money you owe, especially if you're approaching your retirement years. It can be anything from eliminating the morning trips to the coffee shop to shopping around for insurance policies with better rates.

### 4. Build an emergency nest.

If you don't have an emergency fund, you could be in serious trouble if you get laid off or have to stop working for a period of time. You might be banking on unemployment. But, in New York State, the maximum benefit is only \$420 per week. And if you're self-employed, or an independent contractor, you're not even eligible for unemployment in most cases. The good news is that once you cut down debt, building an emergency fund – with around six month's worth of expenses saved up – is a lot easier.

### 5. Sell what you don't need.

Spring is a great time to clear out your closets and basement. Once you do, you can sell items you no longer need at a garage sale, or online on Craigslist or eBay. You can then use the money to pay down debt or build your emergency fund.

### 6. Meet with your L&M advisor.

If it's been a while since you last met with your advisor, make an appointment. He or she can guide you on changes, large and small, you can make to your investment accounts to ensure you're able to meet your financial goals now – and into retirement. He or she can also advise you in other important areas, like estate planning, to ensure your loved ones are protected.

## The Financial facts

- More than 38 million working-age households (45%) do not own any retirement account assets, whether in an employer-sponsored 401(k) type plan or an IRA.
- Four out of five working households have retirement savings less than one times their annual income.
- The collective retirement savings gap among working households (which includes those ages 25-64) ranges from \$6.8 to \$14 trillion.

Source: National Institute on Retirement Security



## The Financial funnies

A teenager was playing basketball in the driveway at home when he lost a contact lens. After a quick, but fruitless search, he gave up.

His mother, on the other hand, took up the cause and found the lost lens within just a few minutes.

"Wow, that was fast!" said her son. "How did you do that?"

"Simple. We weren't looking for the same thing," she explained. "You were looking for a little piece of plastic. I was looking for \$150."

# SHRED-IT EVENT

Clean out  
your house  
at our house!

Saturday, May 6  
9 a.m. - 12 p.m.

You, your family, and friends are invited to L&M's semi-annual Shred-it and Goodwill event!

This past fall we were able to donate more than 1,900 lbs. of items to Goodwill and shred 8,200 lbs. of documents!

Please note: electronics are accepted but NO TVs or COMPUTER MONITORS!

LIMIT 3-BOXES  
PER PERSON FOR  
SHREDDING.



Shred-it will destroy your documents while you watch!

Goodwill will provide receipts for tax purposes on site!

## Place:

L&M back parking lot  
3820 Sheridan Drive  
Amherst, NY 14226

## RSVP:

Karen Young  
716-839-1234  
shredit@lmfs.net

## Apps That Can Help With Your Finances

If you're struggling to create a budget or keep track of your finances, there's good news: There's an app for that. Here's a quick look at a few to consider:

### Mint

**For when you want the big financial picture.**

The Mint app helps you manage your finances in one place. You can use it to create a budget and view all your account balances (including bank accounts, credit cards, and investment accounts), which are updated in real time. You can also track and pay bills, with alerts built in to let you know when you're close to going over budget. Overall, it gives you insight into where your money goes and where you can cut back.

### You Need a Budget

**For when you're in debt and need help creating a budget.**

If you're in serious debt, or are tired of living paycheck to paycheck, then the You Need a Budget app can help you see where your money is going, get out of debt, and save more. It works by enabling you to view all of your bank accounts in one place; set budgeting goals; access tools and resources that teach you how to get and stay out of debt; and track goals and progress.

### Yahoo! Finance

**For when you want to learn more about investing.**

This app is all about giving you insight into the basics of investing. You can sync your



portfolios across devices and track stocks, currencies, commodities, and more. You can also conduct quick stock checks and stay up-to-date on the latest investment news so you can make informed choices.

### RetirePlan

**For when you want to find out how much you'll need in retirement.**

You have a lot of questions about retirement. This app helps you answer them, from when you can retire and how much to save each year to how long your savings will last. Simply input factors such as your current age, expected retirement age, life expectancy, savings rate, and desired income in retirement. You can then see how close you are to meeting your retirement goals.

**iMaximize Social Security**  
**For when you want to maximize your Social Security benefits.**

There are so many choices and decisions when it comes to Social Security. This app helps you make the right ones, providing customized advice and tips on maximizing your benefits.

## "Notable Quotables"

**A successful man is one who can lay a firm foundation with the bricks others have thrown at him.**

— David Brinkley

# L&M by any other name...

Many companies offer insurance, financial planning, or advice on investing in the stock market. But representatives of L&M are experienced not only in these three areas, but in many more as well. L&M Financial representatives have been providing a broad range of financial planning and benefits programs to many people across New York State since 1972.

Available products and services are:

- Financial and estate planning
- Long-term care planning
- Pre- and post-retirement counseling
- Tax-favored investments
- Mutual funds
- Equities
- Life insurance
- Disability insurance
- Group insurance
- Funding for education
- 401(k)
- 403(b) Tax Sheltered Annuities
- 457(a) Deferred Compensation
- Individual Retirement Accounts
- Third party administration/ payroll deduction services

L&M representatives offer workshops, seminars and, of course, individual meetings in an effort to educate you about effective ways to help establish a secure financial future.

Securities offered through Securities America Inc., Member FINRA/SIPC and advisory services offered through Securities America Advisors Inc. L&M Financial and the Securities America Companies are not affiliated. Securities America and its representatives do not provide tax or legal advice.

## Resources to Help You

Spring is a great time for paying off debt. Not sure it's really worth it? Below are a few resources from our website to help you crunch the numbers and see just how much you can save in the long run. To use them, go to [www.lmfs.net/resources](http://www.lmfs.net/resources) and click on Calculators in the left-side navigation.

- Accelerated Debt Payoff
- Credit Card Payoff
- Lunch Savings Calculator
- Mortgage Payoff

### L&M Financial News is a free service of L&M Financial.

Publisher: Amy Lipsitz  
Editor: Mitch Flynn  
Contributing Editor:  
Wendy Mednick

- 3820 Sheridan Drive  
Amherst, NY 14226  
800-326-8410 or  
716-839-1234
- 1708 Vestal Parkway East  
Vestal, NY 13850  
866-442-8666 or  
607-748-1803
- 1840 Winton Rd. South  
Building A  
Rochester, NY 14618  
Phone 585-244-9630  
Fax 585-244-9063

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## Spring '17 Quiz

Answer all three questions correctly and you'll be entered to win. One winner will be chosen to receive a certified kosher, cinnamon walnut *My Grandma's of New England* coffee cake delivered right to their home. Email your answers to [quiz@lmfs.net](mailto:quiz@lmfs.net) or write them on the enclosed reply card and return by April 30th to be eligible.

1. Which U.S. President signed the Federal Reserve Act into law?
2. What is the average age of retirement for those living in New York State?
3. How much total credit card debt do American consumers have?

### Year-end Issue 2016 Quiz Answers:

1. A \$10,000 bill, which was issued until 1945
2. 4,578 metric tons
3. Gilbert Stuart

**Winner:** Marsha Wawro  
**Agent:** Vincent Smith

## L&M in the Community

Gregg Lipsitz and the Lipsitz Family were honored by Big Brothers Big Sisters of Erie County with the organization's Robert F. Moss Distinguished Service Award, given at its 8th Annual Magical Moments Winter Gala last November. Gregg has been a volunteer with Big Brothers Big Sisters for more than 30 years; son Joseph has been a big brother for more than five years, and was featured with his "little brother" Alex in a video shown at the event; son Daniel is also a BB/BS veteran.



Back row, L to R: Joseph and Shannon Lipsitz; Moss family members who presented the award named for their late husband/father, Robert F. Moss; and Kate and Daniel Lipsitz. Front row, L to R: Ruth and Gregg Lipsitz; Blair and Max Lipsitz.



L&M's annual holiday fundraiser benefited the Pajama Program's Buffalo Chapter with donations of books and pajamas for children. The Pajama Program helps children who are abandoned, neglected, or living in shelters by providing them with two of the essentials of a "good night" – pajamas and books to read at bedtime.

Shown (L to R): Richard Kohl, Wendy Mednick, Patti Tyrrell, and Jennie Carlson.

## Seven Steps to Cut Out Financial Clutter -

Continued from Cover

### Step #5: Roll over accounts.

If you changed jobs and still have a retirement account with your old employer, roll it over into your new employer's retirement plan. As you progress in your career – and potentially change jobs again in the future – it will be harder and harder to manage a trail of investment accounts.

### Step #6: Develop a filing system.

If you're like a lot of people, you have bank and investment statements, and credit card bills piling up in your house. Get this paperwork under control by creating a filing system for those you need to keep. If you don't

have a home office, consider investing in a file cabinet to keep in an out-of-the-way place, like your basement. Then get into the habit of filing away paperwork as you receive it in the mail.

### Step #7: Shred old documents.

For paperwork you don't have to keep, shred it in order to protect yourself from identity theft. This includes financial statements, canceled checks, voided checks, and online purchase orders that contain your bank account or billing information. Be sure to also shred junk mail, such as pre-approved credit offers.

Not sure what can be shredded,

when? Here's a quick checklist:

- Keep financial records, such as ATM and bank deposit receipts, and credit card statements until you reconcile them. Keep insurance statements and policies until you receive new ones.
- Keep loan documents for homes and cars until they're paid off or the asset is sold. Hold onto investment purchase confirmations until the investment is sold.
- Keep tax records, both paper and electronic, for seven years.

Need more advice on getting your financial house in order? Call your L&M advisor today. We're here to help!

Visit the L&M website at:

[www.lmfs.net](http://www.lmfs.net)