FINANCIAL FITNESS TIPS FOR 2022

1. **Pay Yourself First.** This is extremely important. We tend to make sure that all of our BILLS are paid and we save whatever is "left over". Pay yourself first and set aside at least 10%, treat it just like any other bill. After all, it is just as important.

2. **Take Responsibility for Your Own Financial Well-Being.** Do not rely on the government, do not rely on someone else to do it for you. Do not rely on your 401K to provide income in retirement. Discover the steps you need to take for financial fitness.

3. **Establish an Emergency Fund.** This fund should cover at a minimum, 3-6 months' worth of your expenses. Sometimes, we need more than that, as we have experienced during the pandemic. The reason for having this fund is so that you are well positioned to deal with emergencies, unexpected and unanticipated bills, such as house repairs, auto repairs, and unexpected medical expenses.

4. **Take Advantage of FREE money.** When your employer matches your contribution into your 401K, take advantage of it. The amount you should contribute is the amount needed to get the company match. If your 401K does not offer a match, speak with your Financial Consultant.

5. **Live Below Your Means.** Don't spend more than you make. Avoid high interest bearing purchases, which is so easy to do in these times of "plastic money" (aka credit cards). When you spend less than you make, you will avoid problems.

6. **Build Your Financial Foundation Before Investing.** A solid foundation to your financial fitness is Insurance. Life Insurance to protect your loved ones in the event of premature death. Long Term Care Insurance to protect your nest egg from the devastating costs of home care, assisted living, and nursing home. Medicare Insurance to avoid huge medical expenses. IRA Insurance to protect your retirement plan from market losses.

7. **Update Your Beneficiary Forms.** Did you know that beneficiary forms trump wills? Keep in mind that things change over time. Our goals may also change over the decades. People get married, divorced, and have children. Make sure that the person(s) on your beneficiary forms are the ones that you want to get your inheritance when you are no longer around.

8. **Write Down Your Goals and Keep Them Visible.** Read them each day and take steps to reach them. Tweak your plan and actions as needed.

9. **Adhere to the "Safe Money Formula".** Why? If you lose a substantial portion of your nest egg in your 60s or 70s, you may not be able to go back to work for another 30 years to make it up. Neither would you WANT to (go back to work). The formula is 100 minus your age. So if you are 70 years old, no more than 30% of your nest egg should be a risk, the rest of it needs to be safe AND guaranteed.

10. **Take Action.** All the knowledge you have obtained will do you no good unless you take ACTION. Don't wait until tomorrow, take care of it today. Once today is gone, we can't get it back. Do not succumb to procrastination.

Sara Finkelstein, RFC®, RSSA® is the author of **"Wi$dom For Women –** Discover the Challenges You Must Overcome to Live the Life and Retirement You Deserve". Since 1996, Sara has been helping retirees take the "what ifs" out of the retirement puzzle so they can enjoy Peace of Mind and have a Worry Free, "stay retired" retirement! Sara is a Registered Financial Consultant and a Registered Social Security Analyst, Helping Soon-to-be-Retirees with Professional Social Security Planning Strategies, that Will Create an Income You Cannot Outlive!! Learn more about Sara by visiting www.SignatureAdvisoryGroup.com or view "The Sara Finkelstein Show." You can reach her at 561-302-5760.