

## ACHIEVING YOUR FINANCIAL GOALS

When you get down to it, achieving your financial goals is all about creating a plan and sticking to it. Without goals and a specific plan to meet them, we drift along and leave our future to chance. As the saying goes, “Most people don’t plan to fail; they just fail to plan.”

The following steps will help you plan for—and achieve—a brighter future for you and your family.

### SET CLEAR GOALS

Establishing financial goals should be the first step in the financial planning process. Work with your spouse or significant others to identify both short and long-term goals. Commit your goals to paper and then plan and prioritize objectives for achieving them. As you prioritize, be prepared for conflict. It’s not unusual for couples to disagree when it comes to financial matters.

### RESOLVE TO SPEND LESS

Spending less than you earn is the key to being able to save and invest money. Continually look for ways to cut your expenses and/or increase your income. Trying to live beneath your means should be a priority.

### CREATE AN EMERGENCY FUND

CPAs recommend that you have three to six months of living expenses that you can easily tap in the event of an emergency. Many people select a savings account for their emergency funds. If your balance is high enough, you may be able to open a money market account or a money market mutual fund that pays a higher rate of interest and still allows ready access to your funds.

### MAKE SAVING A PRIORITY

The best savings strategy is to set aside money before you have the chance to spend it. Some employers offer automatic savings plans that deposit money directly from your paycheck into a savings account or tax-deferred retirement plan such as a 401(k). There are also many brokerage companies with programs that allow you to invest as little as \$25 or \$50 a month through automatic deductions from a savings or checking account.

### REDUCE CREDIT CARD DEBT

If you’re carrying over credit card balances from month to month, make debt reduction your first financial objective. Consider consolidating your debt on one low-interest credit card and making the highest monthly payment you can manage. For several months, only make purchases that you can pay with cash.

### EVALUATE YOUR INSURANCE COVERAGE

Ensuring that you have adequate insurance coverage is vital to protecting your family and your assets. Key policies to review include health, disability, life, automobile, and homeowners’ insurance. Make a checklist of your policies and the amount of coverage you have. Determine whether changes in your financial and family life warrant adjusting coverage. For example, if you recently started a business in your home, you may need to augment your homeowners’ insurance to protect equipment or other related items.

### THINK TAXES

Effective tax planning is a year-round endeavor. Developing long-term tax-savings strategies is the key to keeping more of what you earn. 📌