TIPS FOR STEP 4

- Insurance definitely has a place, (Prov. 22:3 NIV) but we often don't recommend it as an investment. Consider: stocks/bonds instead of annuities, term life insurance instead of whole life, or a 529 instead of pre-paid tuition.
- Investing is about **time in** the market, not **timing** the market.
- Health Savings Accounts (HSAs) are a great way to save for current & future health expenses.
- Typically, the younger you are, the more Roth contributions make sense instead of pre-tax (Traditional) contributions.
- A well-constructed portfolio has diversification (see Eccl 11:2).
- It is especially important for single-income homes with minor children to have life insurance and a Will.
- Providing for your family is crucial (1 Tim. 5:8), but keep in mind the Treasure Principle (Matt. 6:19-21).
- Scan the QR code on the back for up to date resources to help you reach your goals!

CONTACT

trustwellFA.com

RESOURCE GUIDE

MY ROADMAP TO FINANCIAL SUCCESS

MINDSET

Think of your journey towards financial success as a marathon instead of a sprint. As with The Tortoise and the Hare, a steady pace wins against those trying to take shortcuts (see Prov. 13:11 ESV).

SETTING GOALS

Goal setting is the process of taking active steps to achieve your desired outcome. You need to specify what these steps are for *your* financial success by setting S.M.A.R.T. goals.

Work through our recommended steps by setting a goal that is:
Specific, **M**easurable, **A**ttainable, **R**elevant, and **T**ime-bound

START WITH A BUDGET

A budget is telling your money where to go, instead of wondering where it went. To be able to set S.M.A.R.T. goals, you're going to need to understand what you are working with. The goal of a budget is to have a plan for every dollar.

STEP 1: SAVE $1,000

Gain some momentum by having *something* set aside for when "life" inevitably happens.

GOAL:

STEP 2: PAY OFF ALL NON-MORTGAGE DEBT

This means credit cards, auto loans, student debt, **anything** you owe to someone else. When you owe someone money, *they* are determining where your money is going, not you. (See Proverbs 22:7 ESV)

Data has shown that the most effective way to get your debts paid off is by using the *snowball method* (paying your debts off in order of smallest *balance* to largest balance).

Credit cards can be useful **if used responsibly**. While on this step, strongly consider getting the full employer match on any company provided retirement account.

GOAL:

STEP 3: BUILD AN EMERGENCY FUND

The recommended amount is 3-6 months of *living expenses*. The more sources of income in your household, the closer you can get to 3 months. Consider parking this emergency fund in a high-yield savings account.

GOAL:

STEP 4: BALANCE FUTURE PRIORITIES

You want to balance saving for *your* future (think: retirement accounts), with paying down your mortgage, and saving for a child's college expenses.

One of the best *financial* gifts you can give your child is securing your own financial independence. Saving 15% per year of your income towards retirement is a good rule of thumb. We suggest you focus on saving for retirement before attacking the mortgage or college fund.

GOAL: