

NAVIGATING THE YEAR *financial dos and don'ts*

The beginning of the year is always a time for making resolutions and updating vision boards. Here are some tips for anyone working on bettering their finances in 2024.

DO EDUCATE YOURSELF ON PERSONAL FINANCE

Personal finance topics can sometimes be overwhelming; however, this knowledge is empowering. Understanding how to manage your finances today and investing wisely is key to a worry-free future. Financial education helps you make informed decisions. This education can be gained from various sources like books, podcasts, or even following trusted and knowledgeable experts on social media.

DON'T KEEP UP WITH THE JONESES

Making purchases based upon your social circle or living beyond your means could derail your journey to financial freedom. Before making certain purchases, ask yourself these questions:

- Does this purchase or experience align with what I truly value?
- How does this contribute to my financial independence?
- How will this choice benefit me in the long run?

DO BUILD HEALTHY CREDIT

You do not need to go into debt or use credit cards all the time to build credit. Building credit is about having the option available to use at the right time. This can be done by using credit responsibly, like making small purchases and paying off balances regularly and on time. A good credit score helps with getting attractive rates on big purchases like a house.

DON'T TAKE ON HIGH-INTEREST CREDIT

While credit can be a useful tool, some credit cards and financing arrangements charge exorbitant rates and are just not worth it. Ensure you know and understand the total cost before borrowing. Do not commit to anything until you have full knowledge of all terms and conditions and your doubts have been clarified before taking on any kind of debt.

DO SAVE FOR RETIREMENT

Saving for emergencies is great, but it is also essential to set aside a percentage of your gross income for retirement. Some experts recommend 15%, but you can start small. The compound interest earned on retirement accounts together with time helps beat inflation.



DON'T OVERLOOK WORKPLACE BENEFITS

It is essential that you understand the full scope of your employee benefit. Many benefits that go underutilized could help save hundreds, if not thousands, of dollars annually. For example, one of the most beneficial employer benefits is the 401k/403b match. This should be a no-brainer as you are essentially rewarded for saving for your future. Wellness initiatives can also translate into big savings. Other benefits could be disability insurance, life insurance, childcare benefits, education benefits, product discounts, and even student loan repayment programs. Be sure to maximize the benefits available to you!

DO GIVE YOURSELF GRACE

We all make mistakes; do not be embarrassed if you get off track. Own up to the mistakes and figure out a way to avoid repeating them. The secret to financial success is consistency, not perfection.

DON'T FALL FOR THE LIFESTYLE CREEP

If your income increases, do not use it as an opportunity to spend needlessly. Instead, save or invest the extra money or pay off debt.