

FINANCIAL HEALTH =  
FINANCIAL WEALTH

TIPS FOR 2024

# SPEND WISELY, SAVE AND INVEST OFTEN

## ▶ HOW TO YOU SPEND?

- ▶ PLANNED - BUDGETED, DECISION PROCESS
- ▶ IMPULSE
- ▶ BOTH?

## ▶ HOW DO YOU SAVE?

- ▶ PLANNED
- ▶ SPORADICALLY
- ▶ BOTH?

# SOME STATS - Courtesy of M. Smith at Finance Buzz.com

- ▶ 5 signs You're Doing Better Financially Than the Average American:
- ▶ 1. You can cover an emergency of more than \$2,000. About 47% can.
- ▶ 2. You have more than \$4,500 in savings. About 51% do. About 31% have \$1K of less.
- ▶ 3. You have less than \$6,500 in credit card debt. Avg. is \$6,569 per adult.
- ▶ 4. You have more than \$30,000 in your retirement (401K, IRA, etc.). Mid 30s with more than \$30K - you're doing ok.
- ▶ 5. Your net worth is at least \$100,000. Mid 30s- mid 40s - \$91,300

# SPENDING

- ▶ WHAT DO YOU NEED?
  - ▶ SHELTER
  - ▶ FOOD
  - ▶ CLOTHING
  
- ▶ CAN YOU LEARN TO SPEND DIFFERENTLY?
  - ▶ IN STORE BOGO, DOLLAR STORE, THRIFT STORES, GOODWILL
  - ▶ BUY IT AND LEAVE IT IN THE CAR - THEN TAKE IT BACK
  - ▶ \$1 COST PER WEAR IS A GOOD RULE

# SAVE AND INVEST - START THIS MONTH

## ▶ START SMALL

- ▶ \$10 A MONTH, \$20 A MONTH, \$50 A MONTH, \$100 A MONTH
- ▶ Eliminate Debt (we will have a whole slide)
- ▶ Dollar Cost Averaging works! (Investing same amount every month)
- ▶ Use Kahn Academy or other websites to learn about investing
- ▶ [Khan Academy | Free Online Courses, Lessons & Practice](#)

# RESOURCES - LEARNING HOW TO INVEST TAKES TIME

- ▶ Open a brokerage account or separate savings account
  - ▶ Start putting money in it
  - ▶ [Charles Schwab | A modern approach to investing & retirement | Charles Schwab](#)
  - ▶ Investing is personal - meaning EACH person needs to develop their view on what they are comfortable investing.
- ▶ [Doughroller - Banking, Borrowing, Personal Finance & Tools](#)
- ▶ [Personal Financial Education from Better Money Habits \(bankofamerica.com\)](#)
- ▶ [Best Personal Finance Blog - Ramsey \(ramseysolutions.com\)](#)
- ▶ [10 Best Personal Finance Blogs to Increase Your Money Skills | The Motley Fool](#)
- ▶ [Kiplinger | Personal Finance News, Investing Advice, Business Forecasts](#)

# Types of investments

- ▶ Stocks - Individual Companies - Grouped in sizes:
  - ▶ Large Cap, Mid Cap, Small Cap
- ▶ ETFs - Exchange Traded Funds (trading a mutual fund, more like a stock)
- ▶ Mutual Funds - S&P Index Fund, Russell Index Funds
- ▶ Bonds - Long-term, short-term, Municipal
- ▶ Fixed income - Certificates of Deposit (CDs)

# RETIREMENT RESOURCES

- ▶ [Retirement Income, Planning, Investing, and Advice | TIAA](#)
- ▶ 401K - At NSU - TIAA is becoming Nuveen
- ▶ [NSU 401\(k\) Plan \(nova.edu\)](#)
- ▶ START with 2% or 3% or 4% and then add 1% each year.
  
- ▶ ROTH IRA VS TRADITIONAL IRA
  - ▶ Roth IRA - After-tax money goes into the account - depends on income limits
  - ▶ Traditional IRA - Receive tax benefit depending on YOUR tax situation



# LEARN ABOUT YOUR BENEFITS TO MAXIMIZE YOUR BENEFITS

- ▶ [Employee Benefits \(nova.edu\)](http://nova.edu)
- ▶ HEALTH SAVINGS ACCOUNT
  - ▶ Need to be enrolled in High Deductible Medical Plan
  - ▶ Has TRIPLE tax benefits
    - ▶ Tax free contributions
    - ▶ Tax free earnings on investments
    - ▶ Tax free on spending for qualified medical expenses (defined by the IRS)

# DEBT, DEBT, DEBT

- ▶ Schedule it out on paper or put it in a spreadsheet. Now look at it!
- ▶ Is debt good or bad? Both?
- ▶ Develop a plan - strategize your debt elimination approach - Snowball, debt avalanche, or DIY
- ▶ Credit cards go first!
- ▶ Student loans may be a close second

# RESOURCES - Debt Schedule, Budgeting & Net Worth - Use tools

- ▶ <https://create.microsoft.com/en-us/template/credit-card-payoff-calculator-c9b45d23-f6eb-475c-9bf3-42a9458c3bd5>
- ▶ <https://create.microsoft.com/en-us/templates/personal-budgeting>
- ▶ <https://create.microsoft.com/en-us/template/net-worth-summary-0266bcb8-9323-48ff-9e51-d56ca75b9ae3>

# MANAGE YOUR CREDIT SCORE

- ▶ Goal is a FICO score between 700-745
- ▶ Credit is great if you want to be financially independent, but you need to be financially responsible first.
- ▶ Get your FREE annual credit report at the website - [annualcreditreport.com](http://annualcreditreport.com)
- ▶ Look at it!

# CREDIT CARDS - TAME THE BEAST AND PUT A LEASH ON IT

- ▶ How many credit cards do you have?
- ▶ How many credit cards should you have?
- ▶ Are credit cards good or bad?
  
- ▶ <https://thepointsguy.com/>

# BOTTOM LINE - PERSONAL POINT OF VIEW:

- ▶ LIFE IS ABOUT TIME AND MONEY
  - ▶ AND
    - ▶ HOW YOU SPEND BOTH
    - ▶ IS WHAT MATTERS MOST.

THANK YOU!!

- ▶ TIME FOR QUESTIONS
  - ▶ ASK A QUESTION

- ▶ JoAnn Ackerman, CPA, MBA, MACC
- ▶ [ajoann@nova.edu](mailto:ajoann@nova.edu)