



## Monthly Productivity & Balance Newsletter | March 2018

### Protecting Your Financial Wellbeing

We have all heard that “money doesn’t buy you happiness,” but many of us have also struggled with stress and frustration surrounding financial concerns. From designing a budget to monitoring your spending, daily habits can have a direct impact on your long-term financial health.

With tax season in full swing, now is the perfect time to analyze your current financial situation and put a plan in place to become more financially stable. Below are a few tips that will guide you toward future financial wellness.

#### Create an Emergency Fund

Beyond budgeting for bills and luxuries, building a savings for emergencies is a great way to protect your financial stability. Traditionally, advisors suggest saving enough funds to cover three months of bills in an emergency fund to ensure that all necessary expenses will be paid if you fall on hard times. With an economy that is still rebuilding and a highly competitive job market, saving enough to cover expenses for at least six months is the ideal goal to ensure your financial status will remain intact, even if the unthinkable happens. To avoid dipping into this account for small surprises, put this savings into a high-yield savings account. This will prevent you from accessing the money before you need it, and allow you to earn dividends while your financial situation is still strong.

#### Pay Off Your Credit Cards

Paying off your credit card debt will minimize monthly expenses, boost your credit score, and help you avoid hefty interest payments. If you currently have a savings account that is not dedicated to your emergency fund, consider using those dollars to pay off credit card debt. With high national APR rates

and the average card balance of \$5,000, many people can be expected to pay up to \$7,000 in interest charges before fully paying down their initial balance. If you are unable to pay off your credit cards in full, try paying more than the minimum amount each month. This will help you pay off the card sooner and minimize your total interest payments.

### **Plan for Retirement – Now**

Even if you just began building your career, retirement should always be a priority. Saving for retirement from the beginning of your career will help you to retire more comfortably, but saving for even the last 15 years of your career can make a big difference when you decide to retire. Try to save at least 10% of your gross salary toward this important time in your life. If you cannot afford to save 10% of your current salary, begin saving 3% and work your way towards the 10% goal. Be sure to save these funds in a 401K or other high-yield account to gain additional savings as you work.

### **Track Every Dollar**

Fitness trackers are experiencing a great deal of popularity right now. Expense trackers should be, too! Using a financial tracking app on your phone can help you record all of your expenses as you spend. Some apps allow you to input each expense into a chart, while others connect directly with your bank account to record each transaction and analyze your spending.

If you would rather create your own budgeting tool, an excel spreadsheet or even an organized notebook can be a great first step toward tracking your spending.

### **Live Below Your Means**

If you already feel financially healthy, living a bit below your means can offer greater financial health in the future. You may feel comfortable with your current wealth, but if you avoid buying unnecessary items and choose more affordable items when possible, you can increase your savings and immediately boost your financial health. While it is common to occasionally “splurge” on a purchase, making a habit of living below your means will offer you financial control now and greater savings in the future.

Once you have put these tips into action, try using new financial planning apps or meet with a financial advisor to find out how you can take your financial planning to the next level. Whether you are hoping to spend less and save more or plan for a financially healthy future, creating and sticking to a realistic budget can have an immense impact on your financial health and total wellbeing.

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**For more information about financial wellness or to reach a Behavioral Health or Work/Life Expert, contact eni**

**by calling:**

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