

## Twelve Financial Resolutions For 2013 – Part 1

If you want to enjoy a great 2013 and beyond, take heed of these helpful financial resolutions... certain to help you improve your financial situation and your peace of mind. For each of the next few months, we'll provide you with resolutions to consider and implement in your life and career.

### **1. Spend less than you make.**

Just like you can't lose weight if you take in more calories than you burn, you can't save money if you spend more than you bring in. Spending less than you make on a consistent basis is the key to reaching financial fitness and financial stability. Put together a spending plan and make it one that works for you and your family! Consider using a financial software program to help you tally up your expenses. Often times, the little things really add up. Don't be afraid to use a budget.

### **2. Save more - at least 15% of your income.**

Ever hear of the theory of paying yourself first? That's basically what this is. If you make it a habit to pull out 15% for savings and investments for retirement before you pay any other bills, you are actively working towards a better financial future for yourself. This 15% should include your 401(k) account if you have one available. It's also wise to put an additional amount into savings after your 401(k) investment is made. If possible, take advantage of either a Traditional or Roth IRA, especially if you do not have a 401 (k) plan available through work.

### **3. Start an emergency fund.**

If you don't already have an emergency fund, start one today! Your emergency fund should have a minimum of 3 months worth of expenses in it. This is your emergency money for a job loss, emergency repair, medical expense, etc. Keep these funds in a money market account or other interest bearing, easily accessible account. If you ever have the misfortune of an unexpected job loss, unexpected car repair, or unexpected appliance problem - you will be far more prepared to weather the storm if you know you have a little breathing room on your finances, thanks to your emergency fund! That peace of mind makes all the difference.

Check back with us again in a few weeks for your next round of helpful resolutions.

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