



# Your Money

## Financial Goals To Bank On

by John Addison

(NAPSA)—Creating lasting financial change can be easier than you might think. The key is to set (and stick to) a few simple goals.

### **Goal #1: Create an emergency fund**

If you can't cover three months of living expenses with your savings, you're putting yourself at financial risk. Without an emergency fund, even a small financial crisis (like a car repair) could send you into a financial tailspin—while the loss of a job could be financially catastrophic. Build a cash reserve of three to six months' income. Set up an automatic transfer from your checking to savings account. Start with \$25 to \$50 a month to work your way up.

### **Goal #2: Erase debt**

Regardless of your balance, paying off your credit card could earn you 13 percent on your money. Pull out all your credit bills and find out what rate you're paying on each one. Then put as much as you can towards the highest-rate balance. You'll feel better and start being able to focus on your future financial goals.

### **Goal #3: Start saving for retirement (or beef up what you're doing)**

No matter your age, it's time to get serious about retirement. For example, say a 25-year-old sets aside a dollar a day into a retire-

ment account. If the account earns an 8 percent rate of return, the account could be worth nearly a million dollars by retirement. If you're already saving through your company's 401(k) plan, beef up your saving by opening a traditional Roth IRA. The tax advantages can be significant, and if you're over 50, you can take advantage of a special catch-up provision that lets you sock away even more than the normal maximum amount.

### **Goal #4: Update your life insurance and will**

Your employer's life insurance policy is usually not enough to provide financial security for your family. Consider upgrading. If you have young children, you also need an updated will, a living will, a designated power of attorney and a health proxy. Ask your Primerica representative about the Primerica Legal Protection Program (PLPP), which includes will preparation among its benefits.

The guidance of a financial professional can often be helpful when setting financial goals. For example, the financial professionals at Primerica have created a guide that shows you how to take control of your financial life. To get a copy of "How Money Works," write to Primerica, 3120 Breckinridge Blvd., Duluth, GA 30099, ATTN: Corporate Relations, or call (770) 564-6329. For more information, visit [www.primerica.com](http://www.primerica.com).

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