

Financial Planner

<p>(1) Assess your income, expenses, savings, and debts.</p> <ul style="list-style-type: none"> • Calculate your monthly take-home pay, fixed and variable expenses, and contributions to retirement/HSAs/investment accounts, etc. • Determine the typical monthly cost of your necessities • Inventory your outstanding debts, the balance savings, checking, investment, and retirement accounts, and the interest rate on each account 	<p>Financial planning starts from knowing exactly what you have, what you earn, and what you spend your money on. You may not have all the accounts mentioned in this step; don't worry! This inventory helps paint a picture of your current financial situation.</p>
<p>(2) Learn about the key principles of personal finance:</p> <ul style="list-style-type: none"> • Credit scores and credit reports • Types of checking, savings, investment, and retirement accounts • How lines of credit work (loans, credit cards, etc.) • How simple and compound interest work. 	<p>Personal finance is a complicated beast, especially if calculating interest rates and returns on investment feels like sauteing your brain on a high heat. Take it slow, and when in doubt, there are hundreds of free interest rate calculators online you can use to skip the math.</p>
<p>(3) Learn about a few different methods of budgeting, including line-item budgets, zero-sum budgeting, and spending trackers. Assess which ones may work for you, and try them out.</p>	<p>Different budget systems meet different budgeting needs; someone trying to get out of debt may benefit from a line-item system while someone working on building their retirement account may work better with a "pay-yourself-first" budget.</p>
<p>(4) Learn about three personal finance topics that are of interest or importance to you, such as:</p> <ul style="list-style-type: none"> • Strategies for paying down debt • How to ask for a pay raise • How to improve your credit score 	<p>Independent research can be overwhelming. Start with some of our recommended resources or ask someone you know with good financial health to discuss these topics with you.</p>

<p>(5) Identify your financial priorities and rank them in order of their importance to you. Some examples may be:</p> <ul style="list-style-type: none">• Pay less for car insurance each month• Build a 3-month emergency fund• Pay off a high-interest loan• Save up for a down payment on a car or housing	<p>Your financial priorities can also be ranked by urgency. If a bill is about to go to collections and impact your credit score, you should make it a priority because it may get in the way of your other goals.</p>
---	--