



10 steps for your financial well-being

Assess Your Situation/Portfolio

Are you actively saving and investing to reach your goals? It is not too late to get your savings and investing on the right track. The earlier you start, the better. Do not procrastinate!

Define Your Goals

What are your short and long term goals? Write them down, or at least be clear about what they are. If you cannot list them all or if you feel overwhelmed, start with the most important.

Determine Your Risk Tolerance

Will you be kept awake at night concerned that the stock market had a large decline in one day? The answer may vary based on your age, experience, goals, net worth, and your asset allocation.

Create a Plan

Would you go on a long car trip without a map, directions, or a GPS? A basic plan will include explicit, attainable actions, specifically stating how to get from Point A to Point B. Are you in need of a “co-pilot”?

Implement the Plan

The best plan will do you no good unless you take action and *implement* it. If that feels overwhelming, at least get started. “A journey of a thousand miles begins with a single step.”

Monitor and Track

“I have a sound plan and implemented it. Can’t I just leave my portfolio alone?” You or your advisor needs to make sure that you are proactive and reactive, when needed. A loss avoided can be better than a gain.

Re-Assess Your Situation/Portfolio and Adjust as Needed

The only constant in life is change. Maintaining an outdated allocation is akin to playing the same players, play after play and game after game. We cannot direct the wind, but we can adjust the sails.

Discipline

Maintain perspective and long-term discipline. Investing can provoke strong emotions. Do not over-react to short-term events. Ignore the temptation to chase last year’s winner.

Minimize Costs and Be Tax Efficient

Research shows lower-cost investments have tended to outperform higher-cost alternatives. In addition, manage your portfolio for tax efficiency. It’s not what you make, but what you keep.

Prepare for the Unexpected and the Unavoidable

Do you have a will, living will, health care proxy, etc.? You’ve worked hard for your assets; make sure you can enjoy them to the fullest, as well as passing down a legacy if you so desire. Protect and enjoy them!

A Goal without a Plan is a Wish. A Plan without Action is Futile.