**Breaking Down Finances One Decade at a Time for Women**

Money can be overwhelming and confusing, our goal at Prosperwell Financial is to make it fun and interesting! Here is a guide for the various stages of life for us as women:

**In Your 20’s:**

* Build liquid assets. The goal is to have at least 3 months of expenses set aside as liquid money. This is your emergency fund.
* Deposit a percentage of your salary into a money market account each pay period.
* Pay down student loans and any credit card debt. Focus first on the debt that has the highest interest rate.
* Contribute at least the minimum percentage needed to qualify for your full employer match for your retirement plan at work. This could be a 401K, 403b or 457 plan.
* Max your Roth IRA.
* Get a Wealth Advisor. Most advisors offer no cost initial consultations. If you need one, call us or email [info@prosperwell.com](mailto:info@prosperwell.com) or book online at www.prosperwell.com.
* Get rid of any bad debt as quick as you can.
* Set up accounts to save for your car, home purchase etc.

**In Your 30’s:**

* Continue to contribute to your 401k plan. The contribution goal should be at least 12% but ideally you want to max out your 401K.
* Accumulate enough in a money market house account to be able to make a 20% down payment when purchasing a home to avoid mortgage insurance. Aim to spend no more than 28% of the monthly income on mortgage payments.
* Be sure that health coverage is in place - if not through work, then through an individual plan – and confirm that it meets your health care needs.
* Purchase life insurance if you haven’t yet, especially if you have started a family.
* Acquire and maintain adequate auto and home insurance.
* Establish a will or trust.
* Max out your Roth IRA.
* Get an umbrella insurance policy.
* If you have children, open a 529 plan to save for their higher education expenses.
* Get a financial plan.
* Participate in your company’s stock purchase plan if they have one (ESOP).

**In Your 40’s:**

* Continue to max out your 401K, 403b, or 457 plan.
* Continue to max out your Roth IRA.
* Review insurance policies to ensure they still meet your clients’ personal needs.
* Set specific retirement savings goals and make sure it works in your financial plan.
* Review the beneficiaries on your will, life insurance, and all financial accounts to ensure they are up to date.
* Make sure you are not over insured or underinsured for life insurance.
* Get disability insurance.
* Consider options for long term care insurance.
* Participate in your employers deferred compensation plan if they have one.
* Max out your employers ESOP plan if they have one.

**In Your 50’s:**

* Revisit retirement savings goals to make sure you are on track.
* Re-assess how much is needed in retirement to meet your financial goals; if there’s a gap, be sure to address it.
* Discuss adding a deferred annuity as an option in your retirement plans.
* Re-evaluate the mix of investments within your 401k and IRA accounts to help ensure that your retirement savings goals are still on track.
* Review your total insurance protection, from life, health, disability, etc. Consider adding a long-term care policy if one is not already in place.
* Fill out our Legacy Plan document. You can get at [www.prosperwell.com](http://www.prosperwell.com) or email info@prosperwell.com
* Get a trust set up if you need one.
* Make sure 6-12 months of liquid money is set aside in an insured money market account.

**In Your 60’s:**

* Review your retirement income strategy to determine if you can live off a percentage of your retirement assets while continuing to invest most of your resources or if you need to receive an income stream.
* Discuss putting a portion of retirement funds into a deferred or immediate annuity based on retirement income needs.
* Determine when you are eligible to receive the full social security benefit; not that delaying Social Security will increase monthly payments.
* Consider medigap policies to supplement Medicare coverage if retiree health benefits are unavailable through an employer.
* Make sure 6-12 months of liquid money is set aside in your money market account.
* Review all insurance policies.
* Review all beneficiaries on all accounts.
* Rollover all old retirement plans so our assets are consolidated.

**In Your 70’s and beyond:**

* Consolidate your IRA accounts before you turn 72.
* Start taking withdrawals after age 72 to avoid a large tax penalty if you own a Traditional IRA.
* Ensure that a proper legacy plan is established.
* Begin collecting social security benefits at age 70 if you haven’t started collecting (an increase in benefits no longer applies when age 70 is reached).
* Keep your Roth IRA as the last account to spend down.
* Consider opening a Donor Advised Fund.