

# Financial Checklist Helps you get on Track and Stay There

How can you make the right money moves if you don't know what they should be? When it comes to financial decisions, it's okay to admit you don't have all the answers.

Whatever phase of life you're in, knowing what steps to take—and when to take them—can help you improve your personal and financial health. Priorities can change over time, even before you realize it sometimes. Taking steps now can improve your financial picture down the road.

This financial checklist may not cover every decision you'll make, but it can help you focus on some key moves based on your age and stage of life.

## Financial Checklist by Decade

20s & 30s	
Pay attention to your credit rating.	This vital number will follow you and fluctuate throughout life. You owe it to yourself to manage your credit history because it will have an impact on interest rates you pay for auto loans, a home loan, and other financial decisions you make for years to come.
Pay down college loans and other debts.	Make an effort to understand your obligations, including the total amount you owe and corresponding interest rates with all loans. Being informed can help you decide whether to refinance and be more strategic about paying off loans.
Track spending.	It's important to understand where your money goes so you can make decisions to improve your financial outlook. Even tracking spending for a few weeks or a month will help you see things clearer.
Create an emergency savings account.	Set aside an amount every paycheck so money is available for the unexpected expenses that will occur. Even saving \$250 to \$700 can help you avoid financial pitfalls, such as being late on rent or a house payment, according to an analysis from the Urban Institute.
Name your goals.	Understand how your values can help shape your future goals. Take time to identify both personal and professional goals. Evaluate regularly.
Protect yourself and those you love.	Be sure buy and renew health insurance every year. Compare plans and understand coverage to minimize surprises. Consider disability income insurance, which can protect you financially if an illness prevents you from working. Life insurance is most affordable the younger you are when you buy it. If you have a family that relies on you financially, consider purchasing life insurance.
Save for retirement.	Contribute regularly to a retirement plan offered at work or an individual account if you are self-employed. Prepare for retirement with tax-deferred savings. Challenge yourself to increase the amount you save each year.

Volunteer and donate.	Create a habit of generosity by sharing your time, talents and treasures with local organizations you care about. You get back more than you put it when you help other people.
Check beneficiaries.	Make sure your beneficiaries designations on employer-sponsored retirement plans and life insurance policies are current.
Make your wishes known.	Complete healthcare directive and power of attorney documents to ensure that your wishes be carried out should you become unable to make medical decisions for yourself.
<b>40s (Refer to checklist for 20s and 30s as well)</b>	
Save for a rainy day.	An emergency savings account continues to be an important tool that will provide peace of mind that you have funds necessary to cover unexpected expenses. Add to your savings account every paycheck.
Monitor your credit.	Be sure you continue to diligently track your credit history and monitor for identity theft. You can get a free credit report every year and also review changes online.
Get the help you need.	If you have not done so already, find a financial professional to help you make wise decisions based on your unique situation.
Get a will.	A will is a legal document you need, especially if you have children. Name a guardian for minor children and document who gets your property at your death.
Save for college.	If you have children, it's important to take action on saving for their education. Whether you intend to help them a little bit or a lot, the time is now to save. Research saving options and talk with a financial professional to ensure your saving decisions align with other financial goals you may have.
Protect yourself and those you love.	Do you have life insurance? Disability income insurance? These types of protection are important at this stage of life. Learn more about how much life insurance you may need, based on your goals. Make a point of reviewing beneficiary designations every year to account for changes, such as divorce, death, births, etc.
Make your wishes known.	Complete healthcare directive and power of attorney documents to ensure that your wishes be carried out should you become unable to make medical decisions for yourself.
Be generous.	Volunteering in your community is a positive way to make a difference. Your example may inspire others to get involved. Your generous financial gifts to your church and charities that are meaningful to you will be valued and appreciated.
<b>50s (Refer to checklists for 20s, 30s and 40s as well)</b>	
Save more for retirement.	Most tax-deferred retirement savings plans offer catch-up provisions that allow you to save more money every year in your 50s.
Set goals.	Do you have goals and dreams for retirement? What can you do now to make those goals achievable by saving more money and making plans?

Take distributions.	Starting at age 59-1/2, you can begin withdrawing funds from your individual retirement accounts (IRA) without penalty. But you may pay taxes.
Pay debts.	Make every effort to pay and credit card and home loan debts you may have in preparation for retirement.
Get a will.	A will is a basic estate planning document that declares your wishes at your death. If you already have one, review and update it.
Make your wishes known.	Complete healthcare directive and power of attorney documents to ensure that your wishes be carried out should you become unable to make medical decisions for yourself.
Make long-term care plans.	Long term care insurance can provide peace of mind that you can continue to live at home even if an illness or disability strikes.
Give time and treasures.	Get involved in organizations you care about. Share your talents and treasures with groups that matter to you. Generosity is contagious.
<b>60s, 70s and Beyond</b>	
Create a budget.	As you transition to retirement, your spending will change and so will your income. Track your spending for a few months to gauge how your changing lifestyle affects your pocketbook.
Make a plan for retirement plan distributions.	Understand where your assets are invested and make a plan for withdrawing that income throughout your retirement. (See "Get Help" below.)
Develop an estate plan.	How will you pass on your valuables – and your values? Consult your trusted advisors when making decisions and be sure to put your wishes in writing.
Get help.	Now more than ever, you may need to consult with financial professionals who can help you make decisions that will affect your retirement years and also the legacy you want to leave after you are gone.
Apply for Social Security.	Beginning at age 62, you may apply for Social Security benefits you are eligible to receive. Depending on your birth year, full retirement age may be 65 or older. The age at which you begin take these benefits will have an impact on the amount you receive.
Get a will.	If you have not done so already, prepare a will. If you already have a will, review and update it regularly.
Make your wishes known.	Complete healthcare directive and durable power of attorney documents to ensure that your wishes be carried out should you become unable to make medical and financial decisions for yourself.
Be eligible for Medicare.	At age 65, you become eligible for Medicare benefits.
Withdraw funds.	At age 72, you must begin making annual withdrawals from retirement accounts, such as IRAs, 401(k) and 403(b). These required minimum distributions (RMD) may be taxable, unless you designate the funds directly to a church or charity that's meaningful to you.
Live generously.	Stay young and active by volunteering locally. What impact can you have with financial gifts to churches and organizations you care about?