



Insured Retirement Institute

Turning Financial Stress into Financial Freedom

By IRI CEO and President Cathy Weatherford

September 2008 was a financial awakening for me along with many other Americans. The sudden and dramatic economic downturn forced me to do something I should have done years before: closely look at my current financial landscape.

Realizing that the economy has left many of us stressed out and looking to stretch every dollar, we all need to be saving more money and at a faster rate. Now more than ever it is critical that we put away more money in order to secure our financial future and make sure we have sufficient retirement income in the future – and to do so before we’re actually in retirement.

There are signs that the clouds are clearing and the economy is recovering and I am an eternal optimist. But the road to recovery is slow and rocky. We should use this time as a platform for reinventing the way we think about money and how we can better plan for our futures.

Here is what I personally did to help me go from financial stress to being on the road to financial freedom. Just think **S.E.C.U.R.E. F.U.T.U.R.E.**:

Save, Save, Save. Learning to spend less is probably one of our biggest challenges but, if you can learn to identify your “needs” from your “wants,” you might be surprised how quickly your savings will grow.

Every penny counts. Make this your home motto and vision for financial freedom. Giving up your urge to splurge is difficult but can make a huge difference in your long-term saving plan.

Create a monthly budget and stick to it. Make this a contract with yourself and make sure that you don’t go astray; this will keep you on track and out of trouble for saving and spending.

Uncover additional ways to save money. Start a loose change jar in the house, buy things on sale and with coupons, eat dinner in instead of dining out, and be creative with entertainment expenses. For instance, stay in with the family and play a board game instead of going out to an expensive movie theater.

Reserve some money for emergencies. Have an emergency cash reserve for unplanned costs that could have a major impact on finances.



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Eliminate credit card debt. Did you know that, on average, over 60% of all Americans carry a burden of credit card debt that can cause serious financial problems? Balances on credit cards accumulate interest at an average rate of 11.42% and credit card interest is typically much higher than any other form of debt. Interest rates can lead to balance increases and leave you at a financial loss.

Free Money! Match your 401k plan contributions with your employer. If your employer is matching a percentage of your contributions to a retirement plan, not only is this money free and pre-tax, but it is an easy way to watch your retirement security grow.

Understand your long term goals. Write them down and make sure your savings plan is in line with your goals. Are your goals realistic for the type of lifestyle you currently live and want to live after retirement?

Tailor a will to safeguard your assets. Without a will, there is no guarantee that your assets will be allocated among your loved ones as you would see fit. Courts will make all of the decisions in regards to your hard-earned assets.

Utilize an interest bearing savings account. Keep your savings separate from your spending money – it's a lot easier to keep track. Also, you can usually get better interest on savings accounts than on checking accounts (most checking accounts have minimal if any interest).

Remember to let Social Security know about any family name changes. There can be consequences if Social Security is not aware that you changed your name. It can delay your tax refund as well as prevent your wages from being posted correctly to your Social Security record which may negatively impact your benefits. Social Security is something we can still count on and it's simple to make sure it follows us throughout our lives.

Explore your retirement options and invest in your future. Many retirement solutions exist that we can trust to protect us in the future once we are no longer receiving a paycheck. So utilize insured retirement strategies like annuities to guarantee income for the rest of your life. In fact, take advantage of our retirement calculators by clicking [HERE](#) to learn more.

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