00:00:05:10 - 00:00:08:18

Speaker 1

Good morning, everyone, and welcome back to another episode of Share the Wealth.

00:00:08:18 - 00:00:38:02

Speaker 2

Before we begin, we would like to reiterate this podcast is being recorded on January 25th, 2024. The contents of this podcast are strictly for informational purposes only, and nothing said should be taken as investment, tax or legal advice. It is important to discuss your situation with a professional before making any financial decisions, as the strategies discussed may not be suitable for you specifically.

00:00:38:04 - 00:00:43:18

Speaker 1

As we enter the New Year, I am already thinking about summer. I mean, do you know what the temperature is in Florida right now?

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Speaker 2

What?

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Speaker 1

 75 and sunny. When here in New York, we haven't even reached 40.

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Speaker 2

Oh, my goodness. Yeah, it has been so cold here. Anyways, today we're going to examine a few financially savvy resolutions to help you get started with your financial decisions in the New Year.

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Speaker 1

To begin, one of the most important financial tools that can help you prepare for the New Year is a budget. And a budget may look different in different financial stages of life.

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Speaker 2

Although budgeting out for the New Year can look significantly different for, say, women in your twenties, whether you're family planning or planning for children or even being a single lady going solo in retirement.

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Speaker 2

Um, so one of the first key aspects to the New Year, new budget is building that emergency fund, right Leyah?

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Speaker 1

 Yeah, definitely. I agree. Taking the first step to build a cushion for yourself in the New Year is really important.

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Speaker 2

Yeah. So being a single woman in your twenties, building that 6 to 8 months of emergency savings, meaning you want to have at least that much saved up of your monthly expenses in case something were to happen.

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Speaker 2

Although it could look a little different if you're going solo in retirement, maybe you want to have an extra cushion without that dual income.

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Speaker 1

Yep, definitely. And starting out at a younger age and maybe a little bit more difficult to be saving that extra monthly amount. But once you get to it, it'll feel like a goal that was really accomplished versus someone that might be a little bit closer to retirement.

00:02:19:18 - 00:02:52:23

Speaker 1

It'll be a little bit easier to build that emergency fund up a little bit faster.

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Speaker 2

Another key component will be paying off debt with, you know, high interest rates, whether that be student loans or maybe you're getting ready to retire and you have that last bit left of your mortgage and you're just I want it paid off. I know student loans right now, a lot of refinances are going on, especially with the you're wanting that lower fixed rate versus a higher variable rate because, you know, you don't want to be paying as much as you really should be.

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Speaker 1

Yeah. And making any progress towards debt should be an accomplishment and a step towards your financial success for the year. So even just putting 1% more towards your debt will help you ultimately in the end.

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Speaker 2

And even challenging yourself to save, whether that be for a new car, whether you're escrowing out for your car insurance premium for the year.

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Speaker 2

I like to save in a couple of different buckets. I have a bucket for my annual insurance premium because I like to pay it up front in full to get a little bit of a discount or whether, you know, you might have a bucket where you're ready to travel when you're ready to go on that vacation or you have another bucket for saving up and escrowing for, you know, Christmas gifts for the end of the year, because we all run into that that end of year big spending holidays, so challenging yourself every day is really great.

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Speaker 1

Yeah. And I think even just looking into like money challenges or saving what you can a month will help you ultimately build an emergency fund and just also give you a little bit cushion for maybe those bigger purchases or Christmas time that's coming up, as Lyndsey mentioned. But any way that you can challenge yourself throughout the year will help you.

00:04:02:20 - 00:04:21:26

Speaker 1

Another financially savvy resolution to have for the new year is planning for retirement. And planning for retirement might look a little bit different depending on which life stage are in. If you're in your twenties and just have gotten your first job and you're just planning to contribute to your 401k, it might just be as much as putting away what you can't out of your paycheck into your retirement account, which is great.

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Speaker 1

If you're getting a little bit closer to retiring, you might have put as much as you can into your retirement and you're looking to make the maximum contributions for the year.

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Speaker 2

Yeah. So what are the contribution limits for 2024?

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Speaker 1

Yeah. So in 2024 you're able to contribute up to $23,000 for your 401k. If you're over 50, you're actually able to contribute an additional $7,500 into your 401k.

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Speaker 1

So definitely taking advantage of that is huge.

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Speaker 2

And staying on the topic of 401k’s, it's always good to not leave, you know, money on the table somewhere else, whether that be rolling over your old 401k into a new employer 401k, or if you're older and ready to retire and you've consolidated rolling that into an IRA.

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Speaker 1

Yeah. And you mentioned a really good point about consolidating your assets. As you're approaching retirement, you're going to be focusing on other things like traveling, you know, maybe going to Florida since it's so nice and you're not going to be focusing on where your accounts all are, you're going to want them consolidated in one place. So having them consolidated and being able to review them together is really important.

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Speaker 2

You know? And one last tip for financially savvy New Year's resolution would be reviewing your portfolio at year's end, whether that be on the investment side or checking to make sure that you have the right beneficiaries designated to what you want in your life plan and planning for the next step for the people that come after you.

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Speaker 1

Yeah, and retirement planning is just a big process.

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Speaker 1

So whatever you're able to do to get started, if you're beginning with your first job, is going to be really helpful. Or if you're approaching retirement, being able to put a retirement plan in place by doing all these things is just going to help you be financially successful this year.

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Speaker 1

And also, keep in mind that taking care of yourself physically and emotionally will help your financial well-being. So taking care of yourself, whether that is helping create a budget or planning for retirement, will ultimately enable you to make confident and well-informed decisions.

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Speaker 2

Yeah Leyah, I think that hand in hand goes with your circle of influences is everything. So making sure that you surround yourself with goal oriented people that fit your lifestyle can contribute to that financial wellness that we all talk about and want. So stay tuned for our next episode. And don't forget to share the wealth!

Speaker 1: Leyah Dauber

Speaker 2: Lyndsey Payne