

Financial Goal Planning for Building Wealth not Debt

Short Term Goal: (1-2 Years)

A. If you don't have an emergency fund of at least 3 -6 months of expenditures available in a money market or liquid savings account, your goal would read:

I plan to have an emergency fund of \$_____ saved in 1 or 2 years in my bank account (name), and I'm going to do it by setting up an allotment of \$_____ per pay period which will go to my account #, and I will not touch this money unless it is a true emergency (e.g., someone has died and I must travel; to pay for food, rent or clothing and I have no other means.)

B. If you have a large debt and want to pay it off, you need to:

Know what the total debt is by listing every credit card student loan, car debt, etc in one listing along with the interest rates, minimum payments, how much you are paying each pay period. What time frame can you pay off the date? This might be a 2-5 year goal if you have a large debt and insufficient income. The goal might read:

I want to pay off all of my credit card debt of \$_____ in 2 years time. I plan to do so by setting up automatic payments of \$_____ to each creditor every month.

Your goals must be S. M. A. R. T. (Specific, Measurable, Attainable, Realistic, Time Sensitive)

Here are some helpful financial educational websites that will provide you with information and tools to help you define and reach your financial goals.:

<http://www.moneymanagement.org/Education/>

<http://www.militarysaves.org/>

<http://www.choosetosave.org/> If you click on the calculator section, it has many different calculators to help you as we discussed.

<http://www.saveandinvest.org/index.htm>

If you want to look at the quickest and least costly method to pay off your credit card debts, you can use the calculator located at:

<http://cgi.money.cnn.com/tools/debtplanner/debtplanner.jsp>

Here are 3 great websites to show you the true and projected value of your pay and military retirement. Use the "pay and retirement calculators" to see what your current pay would have to be on the "outside" to equal your pay in the military. You can also project what your retirement pay might depending upon your rank and years of service at the time of retirement.

Pay & Compensation: <https://staynavytools.bol.navy.mil/PCC/Default.aspx?B3=Launch+Calculator>

Military Retirement: <https://staynavytools.bol.navy.mil/RetCalc/Default.aspx>

Military Pay & Retirement: <http://www.defenselink.mil/militarypay/pay/index.html>