

Financial Planning

Order of Operations

You can't get to step III without taking care of steps I & II first

I. Debt - High Interest to Low Interest

- Credit cards
- Student loans
- Personal property loans (auto, boat)
- Home loans

II. Emergency Fund

- 3 – 6 months for single, no dependent
- 6 – 9 months with a dependent
- 8 – 12 months for a single income family or larger family

III. Saving for Retirement or College

- *which one is more important?* -

- college is nearer, but loans can be had
- retirement is further, but you can't get loans for retirement and social security is an unknown