



# WAEPA CHECKLIST

Worldwide Assurance for Employees of Public Agencies, Inc.

[waepa.org](http://waepa.org)

## 10 Financial Goals to Reach By Age 40

In the modern world, there are so many different distractions in our lives that we can quickly, and easily, lose focus of our future financial wellness. Once we hit our 40s, we should have a firm handle on our careers and have built a strong foundation for long-term financial success. To help you get a gauge on where you are, the following are simple goals that you should aim to reach by the time you are forty.

**1. Reevaluate Your Priorities.** Systems you put in place during your 20s and 30s may no longer be important to you. Now that you're in your 40s, it's time to reevaluate all your plans, including: retirement, financial matters, and insurance (health, life, disability, long-term care).

**2. Increase Retirement Savings.** Saving for retirement should be a top priority. If you are making more money now than you were in your 20s and 30s, it's time to look seriously at boosting your retirement contributions. You should max out all available contributions at work – but make sure you get financial planning advice to avoid any potential tax pitfalls when you retire.

**3. Pay Off All Debt.** Imagine retiring mortgage free! Your number one goal should be to pay off your mortgage. This eliminates one of your largest expenses. All of your credit card debt should be

gone by now, as well. Focus on paying off debt with higher interest rates first.

**4. Have a Solid Emergency Fund.**

Make sure to add to it regularly even if you don't think you need to – and maintain it. This way, you would be ready for any medical, legal, or other unexpected expenses.

**5. Manage College Expenses.**

If you have kids, you should have been planning for their college expenses from day one. By now, in your 40s, you should have a fund set up for them. It can be tempting to tap retirement savings to pay for college. But remember, you (or your kids) can always borrow for college – but you can't borrow for your retirement.

**6. Consider Financial Planning.**

Now that you're in your 40s, you have more assets and you may not be sure how to best deploy them. That's where a good financial planner comes in. You don't need someone to completely take over, but you'll want and need sound financial advice to make sure you've covered all of the bases. If you don't yet have a will in place, now is the time to create one. If you have one, review it consistently with a trusted advisor.

**7. Have Life Insurance in Place.** If you are like the rest of us, life insurance is one of those things you don't really think about – until you have to. But you must



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be prepared for the worst. If you are married, if you have kids – you must have life insurance. The usual rule of thumb is that you need life insurance that covers ten times your annual salary.

long career, it's time to relax and enjoy yourself. You've earned it!

### **8. Seriously Start Retirement Planning.**

Make sure you set goals for your retirement. Is there something you want to do or learn? Hobbies that you wish to pursue? Think about how you want to retire first. These are big questions that require a great deal of thought. Now is the time to start planning.

### **9. Be Careful With The Investment of Your Home.**

By now, you have a great deal of equity built up in your home. Many of us are tempted to borrow against that equity to make home improvements. But those investments usually won't be recouped when you sell. You must think carefully before you act. It's much better to take care of the regular maintenance of your home and not go into debt. That way, you'll have better options once you retire.

### **10. Your Health Should Be Top of Mind.**

You can't enjoy your retirement unless you have your health. Take care of yourself. Make sure you get an appropriate level of physical activity. Get a checkup. Don't overextend yourself with activities in retirement simply because you now have the time. After a