

How to Money: 10 Tips to Financial Independence

1. Understand your “why.”

- Knowing what you want in life can help you understand what is important to you, so you know what is worth spending or saving for.
- Simple: What do you LOVE to do?
- More complex: Write down a personal or family mission statement. Don't forget to evolve it over time.

2. Budgeting and tracking.

- Tracking your expenses. Apps such as YNAB or Mint. Or you can just use an Excel spreadsheet!
- Tracking your progress (net worth).

3. Create financial margin.

- Create/save an emergency fund.
- The size of this emergency fund varies based on your expected needs, but for everyone, the size changes over time. So be sure to re-evaluate this fund over time.

4. Don't leave free \$ on the table.

- Get the company match! The FULL match!
- Growing in your profession or looking for career opportunities.

5. Keep your investing simple!

- To do well you don't have to become an investing pro!
- Invest every two weeks or every month in low-cost (value and expense ratio), well-diversified index funds or target-date retirement funds. Can you learn more? Sure! But you don't have to.

6. Keep your lifestyle low-key by cutting expenses.

- Minor cuts like cell phone carrier and insurance can really add up over time! And shopping around and changing these is not as cumbersome as you think. Check out policygenius.com.
- Get the big things right by lowering the cost of housing, car, and groceries.

7. Avoid debt - it makes us dumber.

- Consumer debt - credit card debt is #1 nemesis. We like credit cards, but only use them if you can fully pay them off each month!
- Good vs bad debt: It's not ALL bad. But be very skeptical before taking on any new debt.

8. Bank your raises.

- Every time you get a raise, only allow half of it into your life.
- When you get a big promotion or pay bump, follow the same advice.

9. Gamify your \$.

- What game are you playing? That will determine your specific path.
- Create \$ challenges that spur you on towards that goal.

10. Be generous!

- The more money you've been able to accumulate, it's important to give some away. It creates a healthy detachment.
- Also, don't just be generous with your money, but also with your time!