

Title:

Emergencies-Are you prepared?

Word Count:

306

Summary:

A young man got into a car accident resulting in many bedridden months in the hospital and \$100,000 of debt in hospital bills.

Keywords:

tax deductions, tax savings, personal finance

Article Body:

A young man got into a car accident resulting in many bedridden months in the hospital and \$100,000 of debt in hospital bills. Pathfinder's "Mastering Your Money" series originated from this true story. The young man decided to pay off his debt in small amounts each month instead of filing for bankruptcy. When he was released from the hospital, he got a job, generated a modest income and stuck to his plan of paying his doctors \$5 each week. He calculated with each payment how long it would take him to get out of debt. The result: he learned how to manage every penny he made.

Your overall financial wellbeing has less to do with your income than the strategies you put in place and honor. We are stewards of our money. In my opinion, we have an obligation to honor our money by treating it as best we can. It doesn't matter how much you're making, if you have a leak somewhere, the money will run out. Prepare for life's emergencies. One of Robert Kiosaki's quotes from last weekend that I took away and believe to be true: "The way you do anything is the way you do everything." Do you cut corners? Do you plan ahead? Are you disciplined? Hard working?

Speaking of discipline and preparing for emergencies...one of Pathfinder's principles is—When you track your money, you can control it. Do you avoid balancing your checkbook? Do you blame employees and others because you don't make enough. Blame the kids, your boss, your investment partners? Don't think you'll ever have an emergency? Statistics say you will, and you'll need an emergency fund. Keep at least six months of living expenses liquid, so you have half a year to gain control over your emergency situation.