

# PATHWAYS TO FINANCIAL SUCCESS

Here at Balanced Wealth Group, one of our guiding principles is to **Be Helpful**. We want to help everyone, and we wish we could do it for free. We feel called to do this work.

However, we must charge for services appropriately to deliver a world class client experience, compensate our team fairly, and keep the lights on. So, we cannot work with everyone. We know some folks are classic “Do It Yourselfers” and for others our cost would be better spent paying down high interest debt or stabilizing an underfunded emergency account. Either way, we want to help you, even if you don’t become a client. Please see our Pathway to Success and other education resources.

**Please note:** *this is intentionally generic in nature and does not constitute financial advice. We believe true financial advice is best delivered in a committed relationship with an advisor. The list below is simply a starting point.*

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1. **Eliminate all high interest debt from your life:** You cannot accomplish anything with high interest debt weighing you down. It’s like running with concrete shoes!
  2. **Align your financial resources with your values:** If a stranger looked at how you spent your money, could they tell what’s important to you?
  3. **Hold 3 – 6 months of fixed expenses in a High Yield Savings account:** Emergencies happen. Have a plan for them and make sure an unexpected expense doesn’t derail your ability to accomplish your goals.
  4. **Talk to an estate planning attorney about the following documents:**
    - a. **Wills**
    - b. **Financial Power of Attorneys**
    - c. **Medical Power of Attorneys**
    - d. **Living Wills**
    - e. **Revocable/Irrevocable Trusts**

Who is responsible for your kids if you pass away? When will your kids receive your inheritance? Who is authorized to pay your bills if you end up in a hospital? Who dictates what hospital you go to if you have an accident? Do you want “the plug” pulled? Is your estate tax efficient? While these are not fun questions, they are extremely important and should be planned for. A qualified attorney can help you create a plan.

5. **Make sure your beneficiaries are up to date:** Ensure every account, insurance policy, property, any other asset has a correct beneficiary or transfer on death designation.
6. **Contribute at least 15% into a Retirement Plan:** Social security isn’t enough for most Americans. Saving as much as possible, as early as possible will help give you flexibility and freedom. Make tax efficient choices and tailor your investment portfolios to your goals.
7. **Maximize your employer benefits:** These are valuable, and they are part of your compensation. Learn about them, make wise choices, and don’t squander any resources at your disposal.



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- 8. Consider adequate disability coverage for you and your family:** What changes would your family need to make if you were no longer able to work or provide care for your children?
- 9. Obtain life insurance equal to 5x – 20x your salary:** What would your family have to give up if you or your spouse died prematurely?
- 10. Minimize your lifetime tax bill:** Minimizing taxes today is great, but not at the expense of raising your lifetime tax bill. Invest, donate to charities, and structure your estate with your holistic taxes in mind.
- 11. Consider contributing to a 529 and/or nonqualified accounts for education expenses:** Review the pros and cons of both account structures and consider any tax advantages available through your state.
- 12. Thoroughly understand your equity compensation and seek professional help:** If you have stock options (NSOs or ISOs), restricted stock (RSUs), a nonqualified deferred compensation plan (NQDC), or an employee stock purchase plan (ESPP) we recommend you work with a professional. Target an ECA, an Equity Compensation Associate.

Unfortunately, financial literacy is lacking in our country. We don't teach it adequately in schools and it's considered taboo to discuss with friends and family. Some of the hardest conversations we have are telling older people they cannot retire without drastically altering everything in their life. Often, it's not a lack of responsibility or effort that leads to these situations, it's just a lack of knowledge. It's heartbreaking, but it is avoidable.

We encourage you to educate yourself and have conversations within your families. Please see our list of educational resources below for each style of learning.

## Suggested readings:

**The Millionaire Next Door** by Thomas J. Stanley and William D. Danko  
**Financial Intelligence** by Doug Lennick  
**Simple Wealth, Inevitable Wealth** by Nick Murray  
**The Psychology of Money** by Morgan Housel  
**The Total Money Makeover** by Dave Ramsey  
**A Random Walk Down Wall Street** by Burton G. Malkiel

## Suggested Podcasts:

**Your Money Briefing** by The Wall Street Journal  
**The Clark Howard Podcast** by Clark Howard  
**The Executive Financial Planning Podcast** by Balanced Wealth Group

## Suggested Social Media Follows:

**Matthew Gottshall**

### Twitter (X):

[@matt\\_gottshall](https://twitter.com/matt_gottshall)

### LinkedIn:

[linkedin.com/in/mattgottshall](https://www.linkedin.com/in/mattgottshall)

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