

*Maryland State Bar Association  
Lawyer Assistance Program  
Wellness Tip Sheet*

**Tips to being financially fit**

- **Do you often find yourself financially stressed? Do you spend more money than you planned to? Here are some tips to improve your financial fitness.**
- **Take care of your health.** Staying healthy is the first step to being financially fit and avoiding debt. Being unhealthy can result in the acquisition of a lot of debt even if you have insurance. Think about how much you spend each time you visit the doctor—copayments, medications, lost wages, etc. Go back to the basics and eat right, exercises, get rest and manage you stress.
- **Emergency Funds** – Most people live paycheck to paycheck and have no extra money saved for a “rainy day”. If you have an emergency you will likely have to take out a loan or use credit cards, both of which will require you to pay interest that can take years to pay off. The money you spend on expensive coffee drinks and lunch each day can be significant. Instead put this money toward an emergency fund.
- **You have probably spent more time planning a vacation than you have planning your finances, your retirement, and your children’s education funds.** Most people don’t look at their finances because it seems overwhelming and stressful. You don’t have to pay hundreds of dollars to hire someone to help you. There are many companies that can help you organize your finances and plan for the future for a reasonable fee.
- **Retirement and Education Funds.** Retirement will be here before you know it, so don’t have the attitude that you have all the time in the world to save. You don’t. There is no better time to start saving for your retirement than now. By waiting to invest in your future, you are only hurting yourself by limiting the number of years your money could be working for you. The same is true for education funds for your children. Start investing when they are born and you won’t have to put as much away each month as you would if you wait until they are older.
- **Know how much money you make, what your bills are, and keep track of what you are spending.** To know what you are spending I challenge you to write down everything you spend for one month. I think you will be surprised to see how much money you are spending.
- **Have a budget** and don’t forget to build in entertainment.
- **Avoid using credit cards.** Use a credit card **only** if you can pay it off each month, which most people can’t do. Deciding to buy something with cash is much more difficult than shopping with a credit card. Shopping with cash can save you money and keep you on budget. Avoid getting a new credit card to save money on your purchases. These cards often have high interest rates after the initial “teaser” rate expires. Unless you can pay off the card in 30 days you will ultimately be spending a lot more than you originally saved.
- **Avoid impulse shopping.** If you want to buy something that you didn’t plan to buy go home and think about it until the next day. If you still need it then put it in your budget and buy it.

- **Shop around and do your research.** To avoid impulse buying, shop around; look on the internet or in the paper to compare prices. Chances are you will find the same item cheaper somewhere else.
- **Don't shop under the influence.** This is a good time to leave your credit cards at home.
- **Always gamble with a plan.** Unless you have an unlimited amount of money, you need a plan when you gamble. Because it's too easy to get money advances from credit cards and bank cards you might want to plan ahead and leave them behind.
- **Have a holiday savings Plan.** Saving for the holidays may sound overwhelming at first, but with some careful planning it will make your holiday season much more enjoyable. Start a holiday fund in January. Many banks and credit unions have special accounts for holiday savings, and with direct deposit you can save a small amount of each paycheck throughout the entire year. Talk with your Bank or Credit Union to determine what your options are. Some thought and careful planning will help keep you on budget.

**For more financial tips**

**Call the Lawyer Assistance Program for Free, Confidential Assistance at  
410-685-7878 x3041 or 800-492-1964 x 3041**