

## **Taking the Fear Out of Finances**

If you're like most people, you enjoy a good fright, especially when Halloween rolls around. From scary movies to haunted houses to ghost tours, the crisp Autumn air provides the perfect backdrop for some frightening fun.

While Halloween horrors bring us enjoyment, financial fears can do the opposite. And when it comes to finances, it's better to face any potential issues head-on with solid strategies to conquer your fears.

### **Attack of the Unexpected Expenses**

A leaky roof, failing transmission, injured pet, car accident or health emergency. We've all experienced situations where we're suddenly faced with an unexpected — and often significant — expense. If you've managed to put some money aside for a rainy day, you won't be spooked by such a proposition. However, the Lincoln Financial 2019 Financial Focus reports that 56 percent of people don't feel prepared for unexpected healthcare costs.

Fortunately, there are steps you can take to boost your chances of surviving the attack of the unexpected expenditure. Take a look at your overall financial wellness, and spend some time evaluating your saving, spending, debt and financial protection -- and if your employer offers a tool to help you handle your everyday finances (like Lincoln's WellnessPATH), take advantage of it. Tools like this can give you a holistic picture of your finances, see where you're falling short and where you're doing well.

One easy step you can take, if you don't have one already, is establish an emergency fund. Experts suggest saving enough to cover three to six months of living expenses, but you can start small, aiming for \$500 or \$1,000 and then building upon it. You can also increase your ability to handle unexpected healthcare costs by investing in Accident and Critical Illness insurance.

### **Nightmare on Retirement Street**

Between the pandemic, the volatile stock market and two major recessions in just over a decade, fears abound about not being financially ready to retire. According to the 2019 Lincoln Financial Retirement Power® Participant Study, nearly 60 percent of Americans aren't saving enough to be on track with their retirement goals. While it's easy to assume you'll just keep working – a proposition that appeals to many seniors because they relish the idea of staying productive – health concerns or other factors may force you to retire sooner than you had planned.

To ensure you are saving enough for the retirement you envision, establish a savings goal. People who set a retirement savings goal are three times more likely to contribute 15 percent or more and are more likely to be confident in their retirement readiness, according to the 2019 Lincoln Financial Retirement Power® Participant Study. Also, be sure to take full advantage of your employer's retirement benefits offerings. If your employer offers a 401(k), contribute at least enough to qualify for the employer match. In no time, your retirement prospects won't seem nearly as frightening.

### **Night of the Living Debt**

Few people have the luxury of coasting through life without incurring any debt. From car loans and mortgages to credit cards and student loans, we all owe something to someone. Even those who have their financial priorities straight in other areas still struggle with debt. According to the 2019 Lincoln Financial Retirement Power® Participant Study, 86 percent of retirement plan participants have debt, with 63 percent admitting their debt is a problem.

Debt is one of life's scariest financial realities, especially if you inadvertently miss a payment or find yourself unable to make payments due to job loss, illness or other situations. Rather than letting debt become the skeleton in your closet, start taking action to get a handle on it. Begin by examining all your expenses – including your daily Starbucks – and determine exactly where all your money is going. Using that information, create a realistic budget and stick with it. Refinance or consolidate loans and make extra payments whenever possible. Also, take advantage of financial wellness tools, financial counseling and other benefits offered by your employer.

Finances can be a scary subject, but by taking a few simple actions, you can easily face the financial boogey man.