Road trip to keep your finances on track to live your best financial life!
FINANCIAL GUARDRAILS
The national pay gap:

80% On average, women in the U.S. are typically paid this percentage of what men are paid.

63% On average, black women are paid this percentage of what men are paid.

Black women must work nearly 8 months extra to earn the same amount men do in 1 year.
This will keep you in your financial guardrails.

Know your why.
SET-BACKS? UNAVOIDABLE!
FINANCIAL GUARDRAILS

- Savings
- Investing
- Borrowing
- Protecting
- Destination
PRIORITIZE YOURSELF #1

Pay Yourself First

Disposable Income - Savings + Investing = Spending Money
“If you can’t measure it, you can’t improve it.”
Peter Drucker

THE 50/30/20 RULE

**GOALS**
- Debt
- Savings
- Investing
20%

**NEEDS**
- Rent or mortgage
- Minimum debt payments
- Transportation
- Utilities
- Healthcare
- Basic clothing
50%

**WANTS**
- Extra clothing and shoes
- Restaurants, coffee, and take-out
- Travel and vacations
- Gadgets and toys
- Luxuries and entertainment
30%
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Savings

- Fund emergency savings in a no-touch account
- OVER SAVE in multiple accounts
- Automate/ increase savings annually
YOU ARE YOUR FINANCIAL SAVIOR!
FINANCIAL GUARDRAILS

Retirement

• Max out your retirement savings ($19,500)
• Over 50? You may additional ($6500)
• Consider converting non-taxed savings Roth
SHOW ME MY MONEY PLEASE?
Investments

- Save 15% gross including employer's match
- Take advantage of employer benefits
- Progressively increase annual contributions
IF YOU HIT THIS SIGN YOU WILL HIT THAT BRIDGE
Emergency Savings Accounts
Start with $1000 increase until 4-6 expenses
Save in a safe/secure/sacred/secret account
Automate Savings (Set & forget it)
Since 1926-what is the average annual return of the S&P 500?
Making our own way
Purchasing/Spending:

- Add your income tax % rate to items price
- Ask can I borrow or trade for this item?
- How much is this going to be worth in future?
GOOD DEBT VS BAD DEBT

MONEY SPENT ON ASSETS THAT WILL **INCREASE** IN VALUE AND CAN BE USED TO **INCREASE** WEALTH

MONEY SPENT ON CONSUMER ITEMS THAT WILL **DEPRECIATE** IN VALUE
Borrowing Money

- Payoff the balance every month
- Institute a debt repayment plan
- Save for vacation and variable expenses
Credit Tips

• Payoff the balance monthly
• Keep limits under 9% of available balance
• Leverage credit to increase wealth
CREDIT UTILIZATION RATIO

- **EXCELLENT**: 0% - 9%
- **GOOD**: 10% - 29%
- **FAIR**: 30% - 49%
- **POOR**: 50% - 74%
- **VERY POOR**: 74% +

(Chart showing color-coded segments for different credit utilization ratios.)
Wealth Escalator: Fringe Benefits

- Directly build wealth
  - Ex: stock options, pension/401k contributions
- Indirectly build wealth
  - Ex: health insurance, paid sick days
- Women of color less likely to work in jobs with fringe benefits

Benefits Benefiting YOU!

- Life Insurance
- Retirement *
- Disability
- Pension*
- Sick leave
- Tuition Reimbursement
- Flexible Savings Account *
- Health Savings Account *
- Dental/Medical*
- Vision *
Identity Theft protection

- Check your credit at annualcreditreport.com
- Create complex passwords
- Consider freezing your credit
Protect yourself from credit breeches

Free to Freeze
Takes 24 hours to Activate
Remember Passwords
Takes time to Defrost
FINANCE GUARDRAILS

Student Loans
  • Consolidate private loans if possible
  • Keep Federal loans
  • Loan forgiveness
KNOW YOUR NET WORTH

• True measure of wealth (not your income)
• Its Income/Saving/Investments
• Create lifestyle where you need & use less money
There Are Two Sides to Your Net Worth

Calculate your net worth by subtracting your total liabilities from your total assets.

ASSETS are what you OWN

LIABILITIES are what you OWE
Protecting Your income

- Mitigate risk with medical & disability insurance
- Get annual check-ups and eat healthy
- Consider supplemental insurances

Veronica Dangerfield-CUDE
Protecting Your Property

- Best coverage not the lowest cost
- Shop replacement cost not cash value
- Have enough liability insurance please!
- Get an umbrella policy
FINANCIAL GUARDRAILS

Protecting family when your gone

- Create a revocable living trust
- Health proxy and durable power of attorney
- Digital assets inventory
SAVE ARRIVAL

- Save Aggressively
- Protect income & Property
- Use credit as an asset
- Invest appropriately
- Borrow to grow wealth
- Protecting family with final arrangements
EVERY GREAT DREAM BEGINS WITH A DREAMER. ALWAYS REMEMBER, YOU HAVE WITHIN YOU THE STRENGTH, THE PATIENCE, AND THE PASSION TO REACH FOR THE STARS TO CHANGE THE WORLD.
“You will almost never find a fund manager who can repeatedly beat the market. It is better to invest in an indexed fund that promises a market return but with significantly lowered fees.”

- John Bogle
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Please read:
The Simple Path to Wealth- JL Collins

The Little book of Common Sense Investing
John C Bogle