



## Six Ways to Increase Wealth

1. **Balance income and expenses.** Make a written plan. Most spending plans are either weekly or monthly. As you estimate expenses, be sure to include fixed, variable and periodic expenses.

Additional information: MP171, *Household Account Record*, and FSHEC42, *Financial Fitness Series: Shape Up Your Spending*

2. **Calculate debt load.** Debt load should be no more than 10 to 15 percent. Divide total monthly debt payments by your total monthly income. Find your best debt repayment plan at [powerpay.org](http://powerpay.org).

Additional information: FSHEC44, *Financial Fitness Series: Trim Your Credit Line*

3. **Check your credit report.** Monitor your credit report to watch for mistakes, fraud, or identity theft. You can order a free report annually from each of the three bureaus: Equifax, Experian and TransUnion. Spread them out and order one every four months to keep a more constant check on your credit. Order from [www.annualcreditreport.com](http://www.annualcreditreport.com).

Additional information: FSFCS55, *Credit Reports and Credit Scores*

4. **Know your credit score.** Your credit report is free, but you have to pay to receive your credit score. The two most commonly used credit scores are FICO and VantageScore. FICO scores range from 300 to 850. VantageScore ranges from 501 to 990. The higher the better.

Additional information: FSFCS55, *Credit Reports and Credit Scores*

5. **Save for emergencies.** An emergency fund is your safety net. Work toward saving at least 10 percent of your income. Set an initial goal to build a fund of \$1,000. Then set a larger goal. Most experts recommend having enough money to cover at least three to six months of living expenses.

Additional information: FSFCS43, *Build Your Savings*

6. **Plan for retirement.** Start now to ensure a secure retirement. Maximize contributions to an employer-provided retirement fund, if you have one. Maximize allowed contributions to an IRA. Minimize debt and work toward retiring debt free. Save and invest to increase future wealth.

Additional information: *Take the Road to Financial Security in Later Life* and *Investing for Your Future* free online courses at [www.extension.org](http://www.extension.org)