

Focused on Your Future:



5 Ways to Put Additional Household Income to Work for You

The widespread economic disruption of the COVID-19 Pandemic may prove a lifelong lesson on the importance of personal finance. Studies show that good financial health may lead to reduced stress and better physical health. If you find that your household has additional income, consider these financially healthy ways to use those resources to shore up your financial future.



Add to Your Emergency Savings Account

While setting aside \$1,000 can offer peace of mind, an emergency fund is invaluable in helping to weather financial hardship. Many advisers recommend having 3-6 months of necessary household expenses held in a dedicated account.



Pay Down High Interest Debt

High interest debt may cost more in the short term than any earning power of those same dollars in the long term. Eliminating these costs is a critical step for many families in building a strong financial future.



Increase Your Retirement Plan Contributions to Meet Employer Match

Many employers offer to match their employees' contributions up to a certain amount. Make sure you contribute enough to take advantage of the maximum amount your company offers. Speak with your retirement plan administrator to understand your company's match offerings.



Contribute to a Health Savings Account

If you have a high deductible health plan and can contribute to a Health Savings Account, you have access to an important financial tool. Funds in an HSA can be used for most medical expenses that every person will incur over their lifetime. Be cautious of exceeding limits.



Increase Your Retirement Plan Contribution to Exceed Match

Meeting your company's match may not be enough to build a comfortable nest egg. You may consider increasing your savings beyond your employer's match amount. Speaking with a financial adviser can help you to understand whether you are on track to meet your retirement savings goal.

Remember, money always spends but you may not always have an opportunity to put extra money to work for you. Take some time to consider the best way to use your extra income. At HORAN we believe that one of the most important decisions a person can make relative to their personal finance is considering whether to work with a qualified financial advisor. Please visit www.horanassoc.com for more information.