

EXCLUSIVELY FOR PRIMERICA CLIENTS

SOLUTIONS

ISSUE 1 | 2021



INSIDE THE ISSUE

- Save Money by Planning Meals
- Common Money Mistakes Kids Make
- Smart Financial Moves for New Parents



DID YOU KNOW?



It is 30 percent more expensive today than it was 20 years ago to live a typical middle-class lifestyle in the United States.

Time.com, "The Pandemic Has Resulted In Record Savings, but Only for Some," September 17, 2020



PRIMERICA®



With many households developing a financial game plan for the first time and others revisiting outdated or inadequate ones, families are focusing on their financial futures in 2021. Wherever your starting point, here are some ways to start off strong:

Build Up Your Emergency Savings

Automating – and diversifying – your savings can help you build this vital savings account back up if you saw it diminish last year. About 46 million Americans had completely used up their emergency savings only six months after COVID-19 was declared a pandemic in 2020, according to a survey conducted in August.¹ The largest age group who responded this way were older millennials (26 percent), followed by Gen Xers (25 percent). As a rule, try to save up at least six-to-eight months of living expenses in a high-yield savings account in case you lose your current income stream.

Pay Off High-Interest Debt

If you are one of the 110 million Americans struggling with credit card debt, start the New Year by developing a debt reduction plan that works for you.² Writing down everything you owe, negotiating with your creditors, using every windfall as a credit card payment, and completely changing your lifestyle habits are ways to contribute to paying off what could

quickly become a crippling problem.³ The average American household owes about \$8,860 in credit card debt.⁴

Review Your Goals and Budget

Whatever your financial goals may be for 2021, updating your budget to meet those goals is the key to getting there. If your aim is to pay off unmanageable credit card debt while building up your emergency savings, your strategy might be cutting back to a bare-bones budget allotting only for the basics like housing, food, utilities, transportation and bills, and leaving everything else to paying off debt and building up the emergency fund.⁵ If saving for retirement is your number one priority, set a realistic savings goal amount for yourself with careful consideration and create a budget to help you reach that goal. Make sure you're taking full advantage of the matching opportunities your employer may offer if you have a 401(k) and other long-term savings options available.

1. CNBC.com, "Nearly 14 Percent of Americans Have Wiped Out Emergency Savings During Pandemic," September 1, 2020 2. Bankrate.com, "How to Pay Off High Interest Credit Card Debt During Economic Downturn," April 16, 2020 3. CNBC, "Seven Tips for Tackling Your Credit Card Debt, From Someone Who Paid Off \$100,000 in Three Years," September 24, 2020 4. Debt.org, "Key Figures Behind America's Consumer Debt," viewed September 24, 2020 5. Money.USNews.com, "Things to Do When You're Deep in Debt," September 16, 2020

Plan Meals to Save Time and Money ▼

Whether you're feeding a family or just yourself, you've got to eat. Planning your meals in advance can cut your grocery budget and save you precious time. You'll be amazed at how much you can save with a little forethought. Use these steps to get you started.

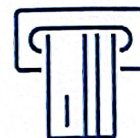
Write Down Your Meals: Starting with dinner, list some of your favorite meals or your family's favorite meals, and what you eat or would like to eat on a regular basis. For instance, Grandma's eggplant parmigiana with Caesar salad, black bean chili with jalapeno cornbread, shrimp stir fry and brown rice, chicken kebabs with roasted vegetables, tofu tacos with rice and beans, turkey burgers with sweet potato fries, roast beef with mashed potatoes and green beans. Make sure you have the recipes on hand. Look to the internet or cookbooks if necessary. Do the same for lunch and breakfast.

Make a Calendar: Consider your schedule or your family's schedule. Allowing for a reasonable time for meal preparation, fill in a calendar with a variety of meals that makes sense for your household. Easy prep meals during the work or school week might be more practical. Friday nights could be reserved for homemade pizza and movie night. On Saturday mornings, a pancake breakfast, or an early afternoon brunch. And on Sundays, maybe a meal from the slow cooker or something off the grill would be appropriate.

List the Ingredients You Need: Once you have your calendar filled in, use your recipes to list all the ingredients needed for each meal. This will be your grocery shopping list. Because your meals are planned in advance, shopping is easier because you know exactly what to buy. And when you start buying the same items on a consistent basis, you'll know what to stock up on when those items go on sale.

Consider Meal Planning Apps: If filling out your own meal plan is overwhelming, there are apps and services online that can plan your meals for you, saving you even more time than if you were to devise a calendar yourself.

? DID YOU KNOW?



The average American household spends \$7,729 on food every year.

MediaFeed.org, "Five Ways to Save Money on Food," viewed September 24, 2020

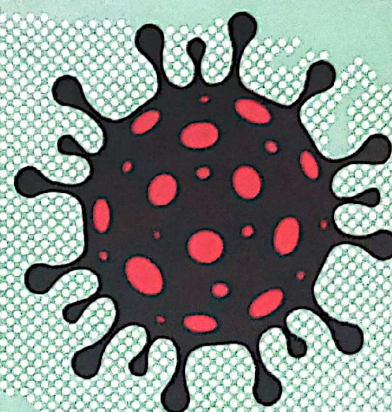
Despite having higher education levels, Millennials earn about 20 percent less than their Baby Boomer parents did at the same stage in life due to changes in the economy and job market.

Kiplinger.com, "To Take Back Control of Their Finances, Millennials Need to Embrace the 'B' Word," September 24, 2020

DID YOU KNOW?

In a study conducted to examine the effects of COVID-19 pandemic on Americans financial habits and priorities, 50 percent of respondents said they believed the economy would bounce back by the start of 2021.

Financial Advisor, "COVID-19 America Saves More, But Many Still Live Paycheck-to-Paycheck," September 23, 2020



Four Tips to Practice Financial Self Care in 2021 ▼

If you are part of the third of Americans who experienced high levels of psychological distress due to the financial effects of the COVID-19 pandemic, it is especially important to take the time to practice personal self-care techniques going into the New Year.^{1,2} Being able to gauge how your relationship with money is affecting your physical, emotional or mental health and finding ways to incorporate self-care into your daily routine can have a huge effect on your overall well-being. Here are some actions to take to obtain a healthy money mindset:³

1. Talk About It

Talking about your financial issues with a professional, a family member, or a trusted friend can help ease some of the burden, get your problem(s) out in the open, and help you to become more inclined to take further action about the situation you're in.

2. Take Financial Inventory

List all your debts, all your sources of income, and track all your spending. Understanding exactly what you owe and how you currently spend is key to developing a budget and creating a plan to address your financial situation. Did you know your Primerica Representative offers a complimentary Financial Needs Analysis that can give you a snapshot of your current financial situation? Reach out to them to learn more.

3. Stay Motivated

Creating a financial game plan, enacting that plan and staying motivated to stick to it are big achievements. Monitoring your progress and getting back up if you get derailed are ways to get yourself on track for success.

4. Manage Overall Stress

Regular exercise, getting enough sleep, eating a proper diet, and practicing other healthy ways to relieve stress and negative feelings can give your mind a break and help boost your mood so you keep your end goal in mind.

1. PewResearch.org, "A Third of Americans Experienced High Levels of Psychological Distress During the Coronavirus Outbreak," May 7, 2020
2. CNBC.com, "How to Manage Stress and Avoid Work Burnout During the Pandemic," August 4, 2020 3. HelpGuide.org, "Coping with Financial Stress," May 2020

❓ DID YOU KNOW?



Eighty percent of adults who are raising children while providing care for older relatives – also known as the "Sandwich Generation" – say the pandemic has left them feeling "often or constantly" overwhelmed, according to a national survey conducted by MIT.

Forbes.com, "Working, Caring for Aging Relatives, And Raising Your Adult Children: How Covid-19 Hurts the Sandwich Generation," September 18, 2020

Four Common Money Mistakes Kids Make and How to Help Them

Common Mistake

1. Losing Money
2. Borrowing Money
3. Inappropriate Purchases
4. Greed and/or Miserliness

Smart Money Fix

Children should never have more cash on them than they need, simply because it is irreplaceable if lost or stolen. Making sure they have a safe place to keep their money is the key! Get your kids used to paying back what they borrow early! By expecting them to return the "loan," you'll reinforce that money isn't free. The same works in reverse. If you borrow money from your kids, pay them back - with interest. If your child wants to purchase something you feel is unsafe, unhealthy or otherwise inappropriate, say no and stick to it! If you notice your kids aren't willing to part with their money for anything (i.e. buying gifts or charity) or if they hoard it, explain that money itself isn't valuable - it simply allows us to purchase the things we want or need.

Three Smart Financial Moves for New Parents ▼

Being the new parent on the block comes with new financial responsibilities. Here are three smart moves to make if you're a new mom or dad.

Buy Term Life Insurance: Once you have children, having a life insurance policy to replace lost income due to an unexpected death is a non-negotiator. Term life insurance is initially the most affordable option.

Create a Will: Who would you want to inherit your assets if you were to die? Your child(ren), right? Creating a will and naming your beneficiaries is key to ensuring that happens.²

Save for College: Starting a college savings plan, such as a 529 plan, is a wonderful way to contribute to your child's college education.

1. In the United States (except in New York), term life insurance products are underwritten by Primerica Life Insurance Company, Executive Offices: Duluth, Georgia. In New York, term life insurance products are underwritten by National Benefit Life Insurance Company, Home Office: Long Island City, New York. 2. Primerica Legal Protection Program legal protection services are offered by Pre-Paid Legal Services, Inc. d/b/a LegalShield or applicable subsidiary, through contractual agreement between Primerica Client Services, Inc. and LegalShield. Services and benefit availability may vary by state.

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As of June 2020, there were nearly 14.6 million college savings accounts in the United States holding more than \$373 billion.

NYTimes.com, "Tips on Spending the Money in College Savings Accounts," September 4, 2020



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