

## 5 Stages to Ultimate Financial Health

It's important to know **where you are right now in your overall financial health and maturity**. It also helps to have an idea of what you need to learn and do to advance to the next stage. So here's a quick summary of the 5 Stages to Ultimate Financial Health. Where do you think you are?

**Put an “x” or “✓” next to each statement.**

**Circle the Financial Health Stage you're currently at.**

### **Stage 1: I'm On Life Support Financially**

☐ I'm dependent on others for my financial needs.

### **Stage 2: I Have Chronic Illness Financially**

☐ I make enough money to meet my basic needs.

☐ I'm not good at managing money.

☐ I trade my time for money.

☐ I think that money is primarily for spending.

☐ I have debt.

☐ I have very little savings or none at all.

### **Stage 3: I'm Unhealthy Financially**

- ☐ I track and manage my monthly income and expenses.
- ☐ I think that money is for saving for emergencies and the future, not just for spending right now.
- ☐ I regularly save money.
- ☐ I still trade my time for money, but I can now lean on my savings for money in an emergency situation if I am unable to trade my time for money.
- ☐ I know how long my savings will last me if I find myself in an emergency situation where I cannot trade my time for money.
- ☐ I don't yet have enough savings to stop working for money to survive to a hundred years old.
- ☐ I know how much money I need to save in order to retire.
- ☐ I know when I can expect to be able to afford to retire.

#### **Stage 4: I'm Healthy Financially**

- ☐ I understand that money can make me more money.
- ☐ I understand the need to diversify my investments to reduce my risk.
- ☐ I understand the probability of risk versus reward for each of my investments.
- ☐ I understand that there are ways to grow my money faster with tax strategies.
- ☐ I am on track to save and invest enough money before retirement age so that I can retire comfortably and live to any age.

#### **Stage 5: I'm Thriving Financially**

- ☐ I no longer need to trade my time for money.
- ☐ My investments create enough money on a monthly basis to cover my monthly expenses.
- ☐ I now have the freedom to choose how I spend my time.