YLD ROADMAP

#YLDMoneyTalks

DEBT FORGIVENESS VS. DEBT REDUCTION VS. DEBT CONSOLIDATION

Debt forgiveness: Know the difference between what can be done for public loans vs private loans. The government does not have the same power to freeze payment in private loans like they do in public loans.

- Public Service Loan Forgiveness = Zero payments are included in your 120 months of payment. Keep records of your own payments. Advocacy programs are out there to help.
- Depending on the program you are in, there could be tax implications to be aware of.

Debt reduction: Companies may start to help you reduce your debt. There may be an agreement where if your employer assists in paying your debt, in addition to your salary, they may want an agreement to stay employed with that company for x number of years.

Debt consolidation: Gives you the opportunity to just make a single payment to one lender (you can tell if your loans are consolidated if you look at a statement and if you see many loans with various interest rates, you loans are not consolidated).

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UNDERSTAND HOW STUDENT LOAN DEBT AFFECTS PURCHASING A HOME

Your monthly payment for student loan debt is factored into your debt.

If you are in deferment, your loan is $0 and this could help you obtain a home loan.

EMPLOYER-SPONSORED BENEFITS VS. PERSONALLY-OWNED BENEFITS

Employer-sponsored benefits are designed to benefit you while you are working for that employer.

Do an inventory of all benefits available to you.

Disability coverage should be thought of as income protection.

- Not designed to make you whole.

Life insurance: Many times tied to your current employment and may not be the same at another place of employment.

- You can get policies outside of your employment to bridge the gap between what your employer offers and any excess you may need. This policy is not tied to your employment.
- Life insurance through your employer does not have any pre-existing language, meaning insurance is offered with no questions asked. If you have a pre-existing condition, get whatever you can from your employer.

CARING FOR AGING PARENTS

There are risks about your personal financial planning in case you become responsible for the long term care of your parent(s).

Long Term Care is a tax advantage plan, it is eligible to be written off on your federal income taxes.

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EDUCATION FUNDING FOR CHILDREN

Florida 529 Plan: Can put money away tax-free, money would grow inside a brokerage account. Money used exclusively for education purposes.

Florida Prepaid Plan: Can now use outside for private schools, won't go as far as it would at a public school.

Permanent Life Insurance: Not subject to reporting on your FAFSA and can be used for anything, not just education.

MISCELLANEOUS

Have an emergency fund: have 3-6 months of TOTAL expenses (this is not just bills/debt, but everyday items you spend money on).

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