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THINGS YOU CAN DO TO BUILD AND IMPROVE YOUR WEALTH



ELE Wealth Management, Inc.

1**Commit to saving a tenth of your earnings. The emphasis is commitment; spending is the main enemy of Saving.**

If you make \$50,000 a year a tenth of which is \$5,000.00 a year or \$416.70 a month at 5% interest for 10 years you will have saved \$62,889.50. Do this for the next 40 years and you will have \$603,998.90 in your account.

Most employees will get raises over a 40-year career, so it is impossible for you to not become a millionaire unless you sabotage yourself. You may ask how I would sabotage my savings; well, that is quite easy. On Cyber Monday, U.S. shoppers spent \$12.4 billion on new purchases in just one day. Buy-now-pay later is the fastest-growing contributor to debt in the world's most robust economy, the United States.

2**Develop a budget and review it regularly to ensure there is no excess and if there is, redirect those funds into areas to reduce debt.**

Instant gratification is what drives buy now pay later behavior. If you have avoided the buy now pay later temptation, Congratulations! After saving one-tenth of all your earnings, you will have a full year's salary saved after 10 years.

3**Seek alternative vehicles to invest your savings in to increase your profits.**

An uninformed person will allow money to idly sit in a checking or savings account not working for them when the bank is offering high-interest CDs or high-yield saving accounts. Each person thinks that their money is inconsequential; nothing could be further from the truth. Collectively, we are a significant force in this economy, but we must stop seeing ourselves as individuals.

4**Plan for your future. This may include a mortgage, marriage, children, college tuition, and retirement.**

To plan for your future, you must keep an eye on the intended goal, and it is not easy. Life comes with a multitude of challenges, and it is even harder without a plan. You will need to set aside funds for everything you desire including those unforeseen emergencies. There was a savings technique called the envelope method. Take some time to research the full plan when you have an opportunity.

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Protect your loved ones by buying life insurance for yourself and those you love and want to protect.

There are two basic types of Life insurance - Whole Life (like buying a home) and Term (like renting). Whole life builds cash value and, in some instances, pays dividends.

Whole life example: One of my clients, a pastor, wanted to set up a retirement plan. He budgeted \$500 a month and purchased a \$500,000 policy. 15 years later his policy has a cash value of \$150,000 to supplement his retirement income and a death benefit of \$650,000. This created a win-win for him and his family.

Term insurance example: Male 35 and his wife 30 with two kids and planning to have more. I recommend a 30-year Term policy with "buy term and invest the difference in mind". This concept allows younger individuals a low barrier of entry to afford the product, with the cost of insurance running about \$30-\$40 a month. On the investment side, this couple will each have at least \$100 to put away from the savings between buying term insurance versus a whole life policy.

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Increase your knowledge of ways to improve your wealth at every turn.

The wealth-building process is a continuum of never-ending adventures geared toward learning and improving your knowledge of investing. I had many clients who allowed the "fear of loss," to paralyze them to the point that their accounts were frozen. You know the type, they look like they are stuck in 1999, from the car they drive, their home decoration, even their hairstyle.

The nineties were good for them. Well, it is 2024, almost 25 years since the end of that century. But so many investors are still talking about "I remember when you could get 14% on Certificates of Deposit". That sounds great until you realize inflation was at 18% so you were losing 4% of your investment power because it could not keep pace with inflation.



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Review your plan often to make sure you stay on track to complete your goals of building true wealth.

Your true desires are just that, desires. It is great if you have someone to share your dreams with, but most people tend to go it alone. I have become an accountability partner for thousands of clients with many successes and unfortunately some failures. Through the process, I have learned that you can tell people what to do but you cannot be there at every turn to stop them from self-sabotage.

Goals are only goals, and they will need to be repeatedly revised. Time, planning, review, and preparation will be the ultimate determinant of your success.

Celebrate the little victories as they occur. The joy it brings will be the true mark of your ultimate success.



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