

Building Financial CONFIDENCE

Each month, TALHI shares information about the life and health insurance industry and the role it plays in protecting Texans. This month, we'd like to do something a little different. Whether you're serving in the Legislature or supporting the legislative process behind the scenes, we hope these financial planning reminders provide practical ideas you can use to strengthen your own financial future.

Planning Today for Whatever Tomorrow Brings

Serving in the Texas Capitol is rewarding, but it also comes with long hours, busy schedules, and competing priorities. In the middle of legislative deadlines, committee hearings, and constituent meetings, it's easy to put personal financial planning on the back burner.



So, here's a question worth asking: How confident are you that your financial plan will help you navigate whatever life brings?

Financial confidence isn't about having all the answers or having the largest investment portfolio. It's about knowing you've taken thoughtful steps to prepare for the future, whether that's building an emergency fund, saving for retirement, protecting your family, or creating a plan for reliable income later in life.

This month, we'd like to pause from discussing public policy and share something a little different. Whether you're just beginning your career, raising a family, or preparing for retirement, a few simple financial planning principles can help build greater confidence for whatever lies ahead.



Every Financial Plan Has Four Building Blocks

No two financial plans are exactly alike, but most successful plans are built on the same basic principles.



Spend with Purpose

A budget isn't about restricting how you spend your money; it's about making sure your spending reflects your priorities. **Living within your means, minimizing unnecessary debt, and maintaining an emergency fund** can provide flexibility when unexpected expenses arise. A good rule of thumb is to maintain three to six months of emergency savings as part of a strong financial foundation

Save for Tomorrow

Whether retirement is decades away or just around the corner, consistently setting aside money for the future is one of the most important financial decisions you can make. Taking advantage of employer-sponsored retirement plans and contributing regularly, even modest amounts, can make a meaningful difference over time. A good guide is to invest early and consistently whenever possible but it's never too late to start. The key is investing for the future.



Protect What You've Built

Building savings is only part of financial security. Protecting those savings is equally important.

Life insurance can help protect the people who depend on you financially. **Disability coverage** can help replace income if illness or injury prevents you from working. **Supplemental health benefits** can help offset unexpected out-of-pocket medical expenses. Together, these tools help reduce financial uncertainty when life doesn't go according to plan and at some point, it may not. These insurance products can be an important part of protecting financial progress and helping families manage unexpected events.

Plan for Lifetime Income

For many Americans, saving for retirement is only half the challenge. The other half is making those savings last.

That's where annuities can play an important role. Annuities are designed to provide a dependable stream of income, often for life, helping reduce the risk of outliving retirement savings. As people live longer and retirement can span decades, guaranteed lifetime income has become an increasingly important part of many financial plans. Annuities help protect retirees from outliving their savings by providing guaranteed income throughout retirement.





Small Decisions. Lasting Impact.

Financial security rarely comes from one major decision. More often, it's built through a lifetime of thoughtful choices, creating a budget, saving consistently, protecting against unexpected events, and planning for retirement income.

Whether you're just starting your career or preparing for your next chapter, it's never too early, or too late, to strengthen your financial plan.

At TALHI, we believe financial confidence begins with education. We hope these reminders encourage you to take a few minutes to review your own financial plan and continue building a secure future for yourself and your family.

Five Minutes for Your Financial Future

Before you leave work today, ask yourself:

- ☐ Do I have a written financial plan?
- ☐ Do I have three to six months of emergency savings?
- ☐ Have I taken the steps to protect my financial security should the unexpected occur?
- ☐ When was the last time I reviewed my beneficiary designations?
- ☐ Do I understand how I plan to generate income in retirement?