

The 4 Worst Money Mistakes We Make

Nearly all of us have a few regrets about blunders we have made in managing our money. In fact, a 2019 study found that more than 126 million Americans confessed that they had made a money mistake at least once in their lifetime. So we're not alone and it's okay as long as we learn from our mistakes and as long as we can learn from the mistakes of others.

Here are four of the most common missteps people make when managing their finances:

Mistake #1: Not having an emergency fund. "If 2020 taught us anything about our finances, it's the importance of having an emergency fund to tap into when unexpected events arise such as a job loss or unplanned medical bills,"

says financial network CNBC. "When you don't have any extra cash set aside, you're forced to use expensive ways to finance your life. This can include racking up high-interest credit card debt, taking out a cash advance or relying on payday loans."

The consumer credit reporting agency Equifax reports that "[a]lmost 60 percent of Americans don't have enough money in their savings account to pay for an unexpected \$1,000 expense such as a sudden car repair or surprise medical bill. Millions of people are without a safety net, and even one accident could be devastating to their finances."

Most financial advisers recommend that you have enough money squirreled away to cover three to six months of your family's expenses. If that seems like a daunting sum try starting by setting aside five percent of your net income and then increase that amount by one percent a month for five months and then keep it going until you have built yourself an adequate safety net.

Mistake #2: Paying off the wrong debt first. We all know that eliminating debt and freeing ourselves of the extra cost of interest is will improve our financial health. But if you have several loans—like car payments, a mortgage, or student loans—you may be in a quandary knowing which one to pay off first. Kelly Welch, a Pennsylvania-based Certified Financial Planner advises that "when working on you debt payoff plan,



If you don't have a will a court will decide who gets what.

start by writing down all your balances and the corresponding interest rates. Welch recommends tackling your highest interest rate debt first, like credit cards, then moving onto lower rate debt, like mortgages."

If you have significant credit card debt (typically the highest interest rate debt) you may wish to consider a balance transfer to a new card. Many credit card companies will offer introductory zero interest periods. A balance transfer to one of these cards will give you some breathing space to pay off your balances without piling on more interest.

Mistake #3: Not monitoring your credit scores and credit reports. "Credit scores can affect you in many ways — from borrowing money, to buying a home and even renting an apartment — so it's important to see a credit score similar to what a potential lender may see," Equifax points out. The Federal Trade Commission advises that federal law gives you the right to get a free copy



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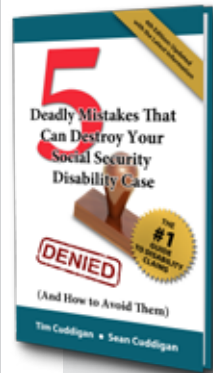
Money Mistakes...cont.

of your credit report every 12 months from all three national credit bureaus (Equifax, Experian, and TransUnion) at AnnualCreditReport.com. If you space out the credit reports you can get a credit report every four months.

While we are on the subject of credit bureaus, one of the most powerful tools at your disposal to protect against identity theft is to freeze your credit. A credit freeze restricts access to your credit reports so a scam artist can't open new accounts in your name. It does not affect your credit score or current credit accounts. A credit freeze can be done online in just a few minutes. Navigate to each of the credit bureau websites and enter "credit freeze" in the search box and then follow the prompts.

Mistake #4: Not creating a will. We get it. No one likes to think about their eventual demise, but the reality is we will all pass away eventually. But for a moment suppose the worst were to happen and you die tomorrow. Would your loved ones be protected? If you don't have a will a court will decide who gets what. However, if you have a will, you get to make the decisions.

It is easier than ever to write a will. If your estate is pretty simple and straight forward you won't need to hire a lawyer. Online wills are legal in all 50 states and are available at a reasonable cost on sites like Nolo.com, LegalZoom.com, and RocketLawyer.com, among many others.



"5 Deadly Mistakes That Can Destroy Your Social Security Disability Case" is the #1 guide to improving the odds of winning a disability case.

For a FREE copy for you or someone you care about call Cuddigan Law at 402.933.5318 or email us at lawteam@cuddiganlaw.com

A New Agreement Expands Health Care and Benefits for Veterans Exposed to Burn Pits

A sweeping new measure crafted by Washington lawmakers will expand eligibility for health care and benefits for millions of veterans exposed to open-air burn pits and other toxins. The "Promise to Address Comprehensive Toxics Act", or PACT Act of 2022 is intended to provide an easier path to health care for veterans who served near open-air burn pits.



The burn pits were used throughout the 1990s and the post-9/11 wars to burn garbage, toxic waste, jet fuel and other materials. Thousands of U.S. veterans have maintained that exposure to the toxic fumes has been the cause of cancer and respiratory illnesses at an early age. However, for years the VA has taken the position that there wasn't adequate evidence to support their claims.

The bill also aims to improve claims processing, will expand health care eligibility to post-9/11 combat veterans, and add 23 conditions to the VA's list of service presumptions related to exposure to burn pits and other toxins. It will also strengthen federal research on toxic exposure and expand presumptions related to Agent Orange exposure to include Thailand, Cambodia, Laos, Guam, American Samoa and Johnston Atoll.



Comfort Food

From the kitchen of Janet Cuddigan

June Bug Punch

What could be more perfect for June than June Bug Punch? This fruity drink is a fun beverage for a children's party. (But your adult friends will like it, too.)

3 cups ginger ale
3 scoops orange sherbet
¼ cup grenadine syrup
¼ cup orange juice

Stir ginger ale, sherbet, grenadine, and orange juice together in a pitcher or punch bowl until smooth.



Adapted from allrecipes.com

Once Again Congress is Looking for Ways to Improve Social Security's Customer Service

During the COVID-19 pandemic, when Social Security Administration (SSA) field offices were closed, those who needed help from the agency turned to the SSA's toll-free phone number only to be frustrated by long wait times. Even before the pandemic, though, wait times were on the rise. In 2010 the average wait time was about three minutes and in 2021 that had increased to 13 minutes on average, but for some the wait times were much longer.



Many Americans are voicing their frustrations about Social Security to Washington lawmakers representing both parties. Last month Congress held a hearing to try to identify fixes for the customer service problems at the agency. The chief debilitating factor singled out at the hearing was—you guessed it—not enough money. The SSA's budget has lagged behind. In fact, since 2010 the SSA's budget has plunged 14%, adjusted for inflation and as a result has 13% fewer employees. The agency also permanently closed 67 field offices, cut its hours at existing offices, and put off updates to its technology and phone systems.

President Joe Biden's proposed budget for 2023 includes increased funds for the Social Security Administration. Additionally, a bill which would set stricter requirements before field offices are closed has been proposed.

Among other ideas put on the table at the hearing include: the creation of a beneficiary advocate position so the concerns of ordinary Americans are heard at the agency, a reduction in the delays for disability coverage, and making it possible to apply for SSI benefits online.



Brain Teaser

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