



Extension News Column

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The stock market is in the dumps, food prices are rising, the housing market is going down, and the unemployment rate is up. It seems to be the wrong time to be making additional commitments of the financial nature. However, now is the time to make those investments for the future. But most of us are confused as to what the right step should be.

Through the years, I have played a financial game with my kids. I ask them what they would do if they had an additional \$100, \$5000, or even more dropped into their laps. Then I'd tell them what I'd do with it. It is an effective to find what they are thinking, and also to communicate family values concerning money. As we discussed whether college or an extra payment on the house was most important, I had an opportunity to explain our family's financial goals. It also gave me an opportunity to make those plans should I have a sudden windfall.

Most of us do little dreaming about our finances--maybe a few nightmares, but little dreaming. Because we don't dream, often we don't plan. When money drops into our lap whether from the Permanent Fund Dividend or tax refund or a gift, we sometimes fritter it away. Now is the time to develop some financial goals and let our money follow those goals.

The first step in developing financial goals is to recognize that money is an emotionally charged subject. We can't divorce ourselves from the emotional side of it. Some of us hoard our savings fearing that we will someday be broke. Others spend too much trying to prove how successful we are. It is important to look at money objectively, it is simply a tool to get to our goals. The goals are what's important.

Getting to those goals are sometimes difficult. Playing the game with my children allowed me to think through my financial goals. Granted, I never had \$5000 dropped into my lap to forward those goals, but if it had happened, I knew just what I would do.

So I suggest that you think through the "what if" game or if you need a little more structure, ask yourself a few questions to get to your own financial goals:

- If you had all the money you needed to do everything you dream of, how would you lead your life?
- If you learned you had only five years to live, how would you spend the time?

- If you had only a week to live, what would be your biggest regrets?

These three questions will help you get an understanding of what some of your money goals are. Would you choose a different career? Would you buy a sailboat and sail around the world? Would you start a scholarship fund for students? By examining what your personal attitudes are about money, you can make plans and in effect, put your money where your mouth is.

Happy planning!