



## financial fitness

By Jennifer Osgood, Partner/Financial Advisor  
at Wagner Wealth Management

# Stop Tracking Spending and Other Money Tasks to Take Off Your To-Do List

When it comes to your money, sometimes doing nothing is the best thing to do. Financial to-do lists abound at this time of year, and while it is always smart to check on the rules around charitable giving or set financial goals to follow for the year, knowing what to skip can be just as important. Consider this list of suggestions as a **2022 To-Don't List**.

### Don't rush to pay off a low-interest mortgage.

With inflation predicted to rise, paying off fixed-rate mortgage debt ahead of schedule might not make sense. Think about putting extra money in investments that will perform better than the interest rate cost of their mortgage. This is especially true for anyone who has recently refinanced a mortgage.

By putting some of the extra funds you were going to use to pay off your mortgage sooner, consider investing them instead in a long-term portfolio. Your after-tax returns are likely to be greater than the interest cost of the mortgage. Those with underfunded retirement accounts are typically better off diverting extra funds into retirement savings than into added mortgage payments.

### Don't overpay for items because "supplies are limited."

Consumers might normally wait for a sale, or at very least shop around to get the best price. Now, many retailers are putting language on their websites such as "only a few left" to push shoppers to click the "buy" button amid supply-chain shortages, shipping delays and rising inflation. Retailers also often follow up with targeted emails and text messages warning us that say, the pajamas we love will be gone if we don't buy them immediately. Don't succumb to the pressure.

Some specific items may genuinely be in short supply, but panic-buying or snagging something "just in case" it's out of stock later can undermine a budget. Rising prices are real but that doesn't mean you shouldn't shop around for the best price possible, ask for a discount or find a less expensive alternative.



### Don't track your spending

Tracking every last dollar of your monthly spending can feel empowering at first but is hard to sustain, like a crash diet. Focus on using a simpler approach such as designating 50% of your paycheck for essentials such as rent, 20% for savings, and 30% for everything else. Save first so there's no need to budget for what's left. Figure out how much you want to save every month and set that amount aside immediately through an automatic transfer to a high-yield online savings account. When you put your long-term goals first tracking your short-term spending matters less.

If you still need to stay under a certain dollar amount for spending each month, create a "fun money" account to make automatic deposits into at the same time you're funding your savings account. Since you will be putting only discretionary funds into that account, you can spend the money on whatever you'd like without feeling guilty.

### Don't fall prey to FOMO

You may feel a pang for not owning cryptocurrencies or the latest stock sparking conversations on Reddit, but don't feel the need to jump in. It may feel like a wise choice to get in, but chasing hot stocks often leads to underperformance in your returns as their outperformance won't last forever.

It's fine to stick with time-tested investment strategies, such as a well-diversified investment portfolio of stocks and bonds. It is a waste of time to do a deep dive into investing trends like NFTs, SPACs and cryptocurrencies if you know they aren't a fit for your investing goals—or you just don't understand them. Judgement should not be clouded by the desire to fit in or fear of being left out of the fun. Oftentimes, if something seems too good to be true. It probably is.

Wagner Wealth Management has offices in Greenville, Anderson, and Oconee counties. Call us at 864-236-4706 or visit [www.wagnerwealthmanagement.com](http://www.wagnerwealthmanagement.com) to learn more about our firm.

Securities offered through Arkadios Capital. Member FINRA/SIPC. Advisory services through Wealth Management Advisors, LLC. Arkadios Capital and Wealth Management Advisors, LLC, are not affiliated through any ownership.

#### Sources:

Dagher, Veronica (2021, December 28). *Stop Tracking Spending and Other Money Tasks to Take Off Your To-Do List*. The Wall Street Journal.

Glasser, Fritz (2021, September 30). *Don't Let Fear of Missing Out Control Your Investment Decisions*. CNBC.