

FINANCIAL BASICS

1. MONEY IS A PROBLEM FOR MOST PEOPLE IN AMERICA

The United States of America is the most prosperous country in the world, full of unbelievable opportunity. We all strive to achieve the “American Dream”, but for so many hard-working Americans, the road to freedom has become an “American Nightmare”. Take a look at the facts:

Debt

- Average household has credit card balances totaling \$6,929.
- Average student loan debt is \$47,671.
- Average total debt is \$135,768 including mortgages.

Taxes

- In 2019, Americans will work until April 16th to pay its tax burden.
- Americans will spend more money on taxes than food, clothing and housing combined.

Inflation

- \$1.00 in 1972 is worth less than \$0.16 today.
- The average inflation rate from 1972 to 2019 was 3.93%.

Savings

- Americans save less than anyone in the world.
- Americans save about 5.4% of their income, compared to Germany at 9.8% and Spain at 11.78%.

Life Insurance

- If you died tomorrow, your family could be broke in a year.
- The average face amount of individual life insurance policies issued in 2018 was only \$168,000

Long Term Care

- We are living longer and more likely to get a chronic, critical or terminal illness before we die.
- In 2019, the annual median cost of a Home Health Aide was \$52,620 and the annual median cost of a Nursing Home with a Private Room was \$102,204.

Retirement

- According to the U.S. Census Bureau, the average American 65 or older retires on incomes of \$36,895 or less a year.
- 10% of all Americans retire in poverty.