



FINANCIAL WELLNESS **GUIDE**

FOR PUBLIC SAFETY EMPLOYEES

Your Roadmap to Financial Strength,
Stability & Retirement Confidence



A MESSAGE FROM BCN FINANCIAL

At BCN Financial, this isn't just business — it's personal.

Many of us proudly wore the badge. We know what it means to serve, to sacrifice, and to put others before yourself. Now, our mission has shifted — to give back to the community that shaped us by helping the next generation of law enforcement officers and firefighters build strong, stable, and confident financial lives.

We created this guide for one reason: because financial stress should never be the reason someone feels lost, isolated, or out of options.

In the public safety world, we often talk about the three pillars that contribute to suicide risk: marriage stress, substance abuse, and financial pressure. We can't solve all of those — but we can help tackle one of the biggest.

Financial well-being won't eliminate every challenge, but it gives you a better shot at facing them — with clarity, confidence, and control. When your finances are steady, your home life is often steadier. When you feel secure about your future, you're less likely to chase short-term fixes. And when you have a plan, stress loses its grip.

So whether you're brand-new to the job or nearing retirement, this guide is here to help — one step at a time. Let it serve as your blueprint, your checklist, and your reminder that you're not alone on this journey.

You've spent your life protecting others. Now, let's protect your future.

— The Team at BCN Financial



STEP 1:

SET CLEAR GOALS & BUILD YOUR FINANCIAL KNOWLEDGE

Why This Step Matters

Financial success starts with clarity and purpose. Without clear goals and a foundation of knowledge, your plan can drift — or stall entirely. Goals give direction. Knowledge gives you the tools to act with confidence.

Core Planning Steps

1. Set SMART Goals

Make your goals:

- Specific – What exactly do you want?
- Measurable – Can you track it?
- Achievable – Is it realistic?
- Relevant – Does it match your life?
- Time-bound – What's the deadline?

Example: “Save \$25,000 for a home down payment in 3 years.”

2. Track Progress Visually

- Use a journal, spreadsheet, or app
- Try goal thermometers or whiteboards
- Make it visible and review often

3. Build Financial Knowledge

- Listen to personal finance podcasts
- Read 1 article per week
- Take short online courses
- Explore the BCN Resource Library

15 minutes a week = powerful progress over time.

Advanced & Creative Strategies

Tie Goals to Milestones:

Link savings or debt targets to promotions, vesting, DROP, or retirement.

Use “When/Then” Triggers:

“When I get a raise, then I increase savings by 2%.”

Set Shared Goals:

Create family goals like vacations, college savings, or debt payoff.

Know Your Money Personality:

Are you a spender, saver, investor, or avoider? Build systems that match your strengths.

Anchor Goals to Values:

Instead of “Save \$100k,” say “Buy time with family” or “Feel secure.”

Review Quarterly:

Life changes — revisit goals every 3 months and adjust if needed.

Final Thought

Clear goals are the fuel. Education is the engine. Whether you're just starting your career or 5 years from retirement, this step builds the foundation for everything to come.



STEP 2:

BUILD A BUDGET & TAKE CONTROL OF CASH FLOW

Why It Matters

A strong budget gives you control, reduces stress, and builds momentum. For public safety professionals, where income can vary and stress is high, budgeting is the foundation that helps you stay focused and prepared.

Core Budgeting Steps

1. Track ALL Income

Include every stream:

- Base salary
- Overtime & holiday pay
- Incentives & stipends
- Side work or off-duty income

→ **Tip:** Use 3 months of pay stubs/bank deposits to estimate your average.

2. Categorize Expenses

Fixed (Same Each Month):

- Mortgage, rent
- Insurance
- Car payments
- Union dues

Variable (Fluctuate):

- Groceries, gas
- Dining out
- Child care

Irregular (Occasional):

- Travel, holidays
- DMV fees
- School supplies, gifts

→ **Tip:** Review recent statements to build realistic estimates.

3. Choose a Budget Framework

Try the 50 / 30 / 20 Rule:

- 50% Needs (housing, transportation)
- 30% Wants (entertainment, lifestyle)
- 20% Savings/Debt Payoff

Or adjust based on your retirement or debt goals.

4. Use the Right Tools

BCN Website Home Budget Calculator

- ✓ Tailored to public safety pay
- ✓ Easy to use on phone or desktop
- 👉 Visit [BCNFIN.com](https://bcnfin.com) → Financial Tools

Other Options:

- Apps: YNAB, Monarch, Mint, Rocket Money
- Spreadsheets: Excel / Google Sheets
- Paper or Envelope System

→ **Tip:** Use what fits your habits and style.

Final Thought

Your budget is your control center. Don't think of it as limiting — think of it as permission to spend with confidence. Revisit it often. The better you manage your cash flow, the more peace you bring to your entire plan.

Advanced & Creative Strategies

Zero-Based Budgeting

Give every dollar a job — income minus expenses = \$0. Keeps spending intentional.

Pay-Period Budgeting

Match budgets to your pay cycle — ideal if your income fluctuates with OT.

Track Emotional Spending

Log not just what you spent, but why — especially after stress, long shifts, or big calls.

Quarterly Expense Audit

Every 3 months:

- Cancel unused subs
- Review insurance & utilities
- Flag recurring charges

Automate With Intention

- Auto-transfer to savings
- Auto-pay fixed bills
- Set alerts to flag overspending

Create a Flex Fund

Set aside \$50–\$150/month for surprises — boot replacements, kid expenses, quick repairs.

STEP 3:

BUILD & MAINTAIN YOUR EMERGENCY FUND

Why It Matters

An emergency fund turns a financial crisis into a temporary inconvenience. Whether it's a blown transmission, sudden injury, or unexpected expense — this cushion protects you from stress, debt, and derailment.

Core Emergency Fund Steps

1. Set Phased Targets

Start small and build momentum:

- \$500 → \$1,000 → 1 month → 3–6 months of expenses
- Use your current monthly budget to estimate the goal

2. Keep It Separate and Safe

- Use a high-yield savings account or money market account
- Avoid your checking account to reduce the temptation to dip in
- Prioritize liquidity over returns

3. Automate Contributions

- Set weekly or biweekly auto-transfers (even \$25/week adds up)
- Schedule transfers to align with your pay period
- Use “found money” (bonuses, tax refunds, OT) to boost it faster

Advanced & Creative Strategies

Two-Tier Emergency Fund

- **Tier 1:** \$1,000–\$2,000 in your checking for immediate access
- **Tier 2:** Larger reserve in a high-yield savings or money market account

“Go Fund” for Disaster Zones

Live in a wildfire, flood, or earthquake zone?

Create a separate \$1,000–\$3,000 fund for:

- Evacuation costs
- Lodging
- Supplies or relocation support

Reassess Annually

- Did your expenses, family size, or insurance change?
- Update your fund target each year to match real needs

Don’t Skip It When Times Are Good

Strong economy? Extra OT?

Keep saving anyway.

Emergency funds build resilience — not just stability.

Final Thought

Emergencies are inevitable — financial disaster doesn’t have to be. A fully funded reserve gives you confidence, control, and the ability to stay focused on your long-term goals, no matter what life throws your way.



STEP 4:

ELIMINATE DEBT STRATEGICALLY

Why It Matters

Debt slows your progress and increases your financial vulnerability. The more you owe, the less flexibility you have to save, invest, or respond to emergencies. A structured payoff plan brings freedom and confidence back into your hands.

Core Debt Reduction Steps

1. List Out All Debts

Track the essentials for each:

- Balance
- Interest rate
- Minimum monthly payment

→ **Tip:** Include credit cards, car loans, student loans, and any personal or payday loans.

2. Choose a Payoff Method

Pick the strategy that keeps you motivated:

- **Snowball Method**

Pay off smallest balance first for quick wins

➡ Boosts motivation

- **Avalanche Method**

Pay off highest-interest debt first

➡ Saves the most money long-term

3. Automate Your Payments

- Set up autopay to avoid late fees
- Use windfalls (bonuses, tax refunds, OT) to make extra payments

Advanced & Creative Strategies

Visualize Your Progress

- Create a simple progress bar or debt payoff tracker
- Use mind maps to connect debts to your larger financial goals

Use Biweekly Payments

- Cut interest and shave months off your loan
- Works especially well with auto and mortgage debt

Negotiate Interest Rates

- Call your lenders — especially credit cards — to ask for a lower rate
- Mention long payment history or temporary hardship

Consolidate Carefully

- Only consolidate if:
 - ✓ It lowers your interest
 - ✓ Simplifies your payments
 - ✓ Doesn't extend your payoff timeline

Boost Your Credit Score

- Keep utilization under 30%
- Don't close old accounts — they help your credit age
- Check your credit report yearly at AnnualCreditReport.com

Public Loan Forgiveness Caution

Public Service Loan Forgiveness (PSLF) programs often exclude sworn public safety roles. Review eligibility carefully before relying on forgiveness options.

Final Thought

Paying off debt is one of the fastest ways to reclaim peace of mind and financial flexibility. Choose a plan that keeps you engaged, and remember: every payment is a step toward freedom.



STEP 5:

SAVE FOR RETIREMENT & LONG-TERM GOALS

Why It Matters

Your pension is only part of the equation. Deferred compensation and long-term savings help you fill the retirement gap, hedge against inflation, and protect your lifestyle for decades to come.

Core Retirement Saving Steps

1. Aim to Max Out Contributions

- Ideal Goal: Max annual contribution to your 457(b)
- Minimum Standard: Save 15% of your gross income

2. Use the “15 by 5” Rule

Not ready for 15%? Start small and build gradually:

- **Year 1:** 7% deferral
- **Year 2:** Add 2% → 9%
- **Year 3:** Add 2% → 11%
- **Year 4:** Add 2% → 13%
- **Year 5:** Add 2% → 15%

3. Contribute as a Percentage

If your HR system allows, choose a % of pay instead of a flat dollar amount — your contributions will grow automatically with raises.

Advanced Strategies

Review Investment Options

- Understand fund types: stocks, bonds, stable value
- Rebalance annually
- Consider Roth contributions early in career for tax-free growth
- Meet with BCN to align your strategy with your pension

Be Fee Aware

- Know your advisor, platform, and fund fees
- Total fees of 2–3% can reduce lifetime returns by up to 50%
- Review quarterly statements and ask questions

Additional Notes

- Avoid early withdrawals — penalties and lost compounding hurt
- Save beyond pension to cover healthcare, inflation, and early exit risk
- Consult an advisor before entering DROP — many elections are permanent
- Understand how second careers or post-retirement work may impact taxes or pension status

Final Thought

The earlier you start, the easier it gets. A disciplined savings habit now becomes lasting financial freedom later. Don't just plan to survive retirement — plan to enjoy it.



STEP 6:

PROTECT YOURSELF WITH INSURANCE & ESTATE PLANNING

Why It Matters

You can build the perfect financial plan — but without proper protection, one event can unravel it. Insurance and estate planning ensure your family, income, and legacy stay intact no matter what happens.

Core Protection Checklist

Review and Update:

- Health Insurance
- Life Insurance (term or permanent)
- Disability Insurance (short & long-term)
- Umbrella Liability (for lawsuit protection)

Estate Planning Essentials:

- Will or Revocable Living Trust
- Durable Power of Attorney
- Advance Healthcare Directive
- Beneficiary Designations (review annually)
- CalPERS Special Power of Attorney

Advanced Strategies

Fill the Gap with LTD Insurance

If workers' comp ends, long-term disability may be your only income source — don't leave it uncovered.

Organize Your Plan

- Maintain a digital and physical inventory of assets
- Review and update every 1–2 years
- Add a Letter of Intent or Legacy Letter to express wishes or family values

Share & Educate

- Make sure your spouse or trusted loved one knows where key documents are
- Teach your family about generational wealth tools:
 - Trusts
 - Custodial accounts
 - Charitable giving

Final Thought

True financial strength means being ready for anything — not just for yourself, but for the people who count on you. Estate planning and insurance aren't just paperwork — they're a legacy of care and preparation.



STEP 7:

REVIEW & ADJUST YOUR PLAN ANNUALLY

Why It Matters

Life changes — and your financial plan should change with it. A yearly review keeps your goals aligned with reality, helping you adjust to new income, expenses, family needs, or economic conditions.

Core Annual Review Checklist

Schedule a Dedicated Check-In

Pick a consistent time each year (e.g., work anniversary, New Year, post-tax season) to revisit your plan.

Reevaluate the Following:

- Budget & cash flow
- Emergency fund balance
- Debt payoff strategy
- Retirement contribution rate
- Investment allocations & fees
- Insurance policies (health, life, disability, liability)
- Estate plan documents & beneficiaries

Additional Tips & Strategies

Calculate Net Worth

Track assets vs. liabilities once a year to monitor progress and spot trends.

Audit Subscriptions & Auto-Renews

Eliminate unused services — streaming, apps, gym memberships — and redirect that money to savings or debt.

Watch for Lifestyle Creep

As income rises, so can spending. Set automatic savings increases before upgrading your lifestyle.

Rollover or Consolidate Retirement Accounts

Old 401(k)s and 457(b)s from past employers? Review options for rolling them into one efficient, low-fee account.

Celebrate Milestones

Paid off a credit card? Hit a savings goal? Recognize and reward your progress — it builds momentum.

Plan for Economic Shifts

Be proactive, not reactive. Adjust your budget and reserves to account for inflation, market changes, or job uncertainty.

Final Thought

Reviewing your plan isn't just maintenance — it's momentum. The most successful savers and investors stay active, informed, and adaptable. Make it a habit, and your financial future will thank you.



BONUS STRATEGIES

GO BEYOND THE BASICS

Tax Diversification & Optimization

Why It Matters:

In retirement, how your income is taxed affects how long it lasts. Diversifying across tax buckets gives you more flexibility and control.

What To Do:

Prioritize Roth contributions early in your career (lower tax bracket)

Diversify across:

- o Taxable (brokerage)
- o Tax-deferred (457, traditional IRA)
- o Tax-free (Roth, properly structured life insurance)

If you have a side hustle:

- o Consider forming an LLC or Sole Prop
- o May unlock deductions, SEP IRA options, and added protections

Consult a BCN advisor and tax professional to customize your plan

Bridge Planning for Early Retirement (Age 50–62)

Why It Matters:

Most of our clients retire before Social Security and Medicare kick in. For PEPRA employees, that gap is even larger due to lower benefit factors and capped pensionable income. Without a clear plan, this income shortfall can lead to long-term financial strain.

What To Do:

Estimate expenses and income needs between retirement and age 62–65

Build a bridge plan using:

- o 457(b) distributions
- o Taxable investment accounts
- o Roth accounts (if needed)

Account for:

- o Pre-Medicare healthcare costs
- o Rising inflation
- o Delayed Social Security filing

Work with BCN to:

- o Layer income across tax buckets
- o Preserve long-term investments
- o Ensure flexibility and sustainability

Stress-Test Your Financial Plan

Why It Matters:

Even solid plans need to be tested against real-world volatility. Stress-testing reveals blind spots before they become problems.

What To Do:

- Run your plan through:
 - o Market downturn simulations
 - o Medical emergencies
 - o Spouse's early retirement or job change
- Test your monthly retirement budget before you file
- Adjust now — not when you're already retired



CLOSING THOUGHTS FROM THE BCN TEAM

You've just walked through the most important steps to building a resilient financial future — one that protects your family, honors your service, and sets you up for long-term peace of mind.

At BCN, we believe the best plans are built with purpose, not pressure. Whether you're just starting out, mid-career, or thinking seriously about retirement, the most important thing is that you've started.

This guide wasn't designed to overwhelm — it was built to equip you. To give you clarity, confidence, and control in a world that often feels uncertain.

And the good news?
You're not in this alone.

Our team of trusted advisors — many of whom are former public safety professionals themselves — is here to walk the journey with you.

We're proud to serve those who serve others.
Let's build something strong — together.

———— **The BCN Financial Team** ————