

Getting Your Financial House in Order

Many people may find the notion of creating and adhering to a financial plan about as appealing as doing housework. As everyone knows, putting off chores can lead to further procrastination. And, the longer you let things go, the more difficult it is to get started. But eventually, the time comes when you just have to buckle down and get to work.



Here are some tips to help you straighten up your financial house:

ORGANIZE THE GROUND FLOOR.

Many of us would have some difficulty in locating all our important records, documents, and financial statements. Therefore, the first step to getting your financial house in order is to compile a list of your important paperwork. And, more importantly, move that paperwork to a central location.

ESTABLISH A REGULAR MAINTENANCE PROGRAM.

If you haven't already done so, set up a budget. Make paying yourself first a priority by putting a set amount into your savings and investments every month. Analyze your current spending habits and plan ahead for large bills and expenses.

CONSIDER MAKING SOME RENOVATIONS.

You may be at a stage of life that requires different investment tactics. However, before you make any financial decisions, be sure to consult a qualified financial professional.

REVIEW YOUR LIFE INSURANCE COVERAGE.

The plan you established years ago may need updating to meet your current needs. There are many factors to look at, including changes in your family status, the arrival of a new baby, college funding requirements, retirement planning, and changes in your employment status. As you conduct your review, remember to include both personally-owned and employer-provided policies.

Personal finances are a lot like household chores.

If you don't pay much attention to how you are spending your money, it may be difficult to get a foothold on where you stand financially. If you haven't taken a look at your overall finances lately, now may be a good time to "tidy" things up a bit.



REFURNISH YOUR CREDIT “ROOM.”

Look at the possibility of refinancing your mortgage. There may be options available that may help you save on your interest payments in the long run, or help reduce your tax liability. However, you should always seek guidance from your tax professional before you make an important decision to refinance.



TRANSFER CREDIT CARD BALANCES TO LOWER RATE ALTERNATIVES.

Read all credit terms carefully, and remember that credit card finance charges are not deductible on your taxes. Your best move might be to consider paying off your credit card debt, and using the money you save on finance charges to begin a regular investment program.

GET ON THE RETIREMENT SAVINGS TRACK.

Many employers offer a sponsored retirement plan, such as a 401(k), and may also offer a company match on employee contributions to further enhance the value of a retirement funding vehicle. In today's changing retirement landscape, this may be an opportunity to reduce your taxable income while saving for retirement.

DUST OFF YOUR TAX RECORDS.

No matter what time of year, it's always helpful to your financial strategy to review your taxes. You may want to speak with your tax professional regarding changes you need to make to brighten your tax picture for the current tax year.

PROTECT YOUR HOME.

Update your homeowners policy and make a video of your home, both inside and out, as well as your valuables. This helps to ensure that your possessions are well documented in the unfortunate case of a loss.

Take a good look at your policy, as well as your automobile insurance policy. There may be adjustments you can make, including increasing deductibles to decrease your out-of-pocket expenses without damaging your insurance position.



When all is said and done, it's always more relaxing to live in a clean and orderly home. By taking these steps to get your financial house in order, you may find that your spruced-up environment becomes an inviting, enjoyable corner of your life!