

## Spring Clean your Files and Finances

What if we told you that organizing your bills and statements could make you wealthy? Well it can, and this is how. Consciously opening, reading, and filing away your bills and statements connects you with your money and positions you to take control of your spending.

That pile of bills and statements on your kitchen counter is a sign that you might be oblivious to what is coming in and out of their household. We'd like to get you "in the know" of your funds with a few organizing tips and traits from the personal finance guru Suze Orman.

Start by gathering up all your docs. Then, sort into 5 piles:

- Monthly Bills, Bank Statements, and Pay Stubs
- Investment Statements
- Tax Returns and Supporting Docs
- Policy Documents and Deeds
- Forever Docs (think marriage license, will, birth certificate)

Create a folder for each type of document. Then create folders within. Example: Monthly Bills folder contains folders for electricity, cable and phone. Now, it's time to save and shred.

Hold onto ongoing bills for one year in case of any billing issues. Save one years' worth of pay stubs to compare against your W2 at years end. If everything looks good, shred the stubs. As far as bank and credit card statements go, keep up to two years.

Keep investment statements until you receive your annual summary. Once you get that, shred the rest. If you make any trades during the year, keep a record of each for 3 years. The 3 year rule also applies to tax returns and supporting documents.

Hold onto policy statements for any active account (i.e. homeowner's insurance) as well as car titles and the deed to your home. Some things should *never* be tossed, and this includes forever docs. Keep these in a fire safe and water resistance home safe so you or your family can access them when needed.

Take some time to sit down with your file cabinet and clear the clutter. Your finances will be happy you did.

*Happy Spring Cleaning!*