

Spring Clean Your Finances



While you're busy chasing away the dust bunnies and organizing rooms, you might as well tidy up your finances while you're at it. We have 8 tips to get you there.

SPENDING: Take an afternoon off and drill down through your spending over the past few months. Notice any problem areas? Or are there any areas you can increase/decrease your budget. Adjust accordingly and stick to it.

ACCOUNT CLEAN-UP: If you have multiple, unused accounts, now would be a good time to consider closing some. Get rid of old checks and statements. Give your retirement accounts a once over. Have an old retirement account with an old employer? Consider rolling it over to streamline your retirement savings.

GO PAPERLESS: Opt for less paper when you can. Signing up for paperless billing or eStatements can cut back on piles of paper taking over your kitchen counter.

CHECK YOUR WITHHOLDING: We all love a big tax return. But if you've received a big return this year, it just means you've given Uncle Sam an interest-free loan out of your paycheck. The goal with withholding should be balance. You want as much in your paycheck as possible without owing the IRS.

TAKE INVENTORY: While we'd rather not think about it, disasters can happen. Since you have homeowners or renters insurance (or you should) you need to take an inventory of your possessions. Take pictures, write down the approximate amount you paid (for old items) and save the receipts of future purchases.

SHOP AROUND: When's the last time you checked out new insurance rates, cable or phone plans? You should do this at least once a year—preferably twice—to ensure you're not overpaying.

INSURANCE CHECK-UPS: Now's the time to review your life insurance policies and homeowners policies. A recent birth of a child could mean an upgrade in life insurance coverage is needed. You may also need to upgrade your homeowners insurance policy should you need to rebuild in the case of a total loss as housing construction costs are on the rise.

SIT, SORT, SHRED: That dreaded pile of paperwork has been staring at you for weeks (maybe even months). Sit down, sort through, and shred what you no longer need. Bank statements only need to be kept for a year and tax documents for seven.