



Your Finances

Resolutions For A Financially Healthy Life

(NAPSA)—If money is a major concern and you want to improve your financial life, consider these suggestions:

1. Write down your goals: Putting your goals in writing gives them a formality and a starting point for the planning you'll need to do.

2. Track your spending: If you haven't used financial accounting software or set up a reliable accounting method on your own, now is the time to do it. There are many inexpensive financial accounting software programs available to assist you with tracking your expenses. Diligent expense tracking is the first critical step to getting personal finances in order. Many people don't know where they're spending their money and are surprised at how much goes toward non-essential items.

3. Cut your credit card debt: Take an inventory of your balances and figure out if you can consolidate them under your lowest-rate card. Resolve to pay off an amount that exceeds the minimum—on time, every month. Leave the credit cards at home and pay cash.

4. Save: Pay yourself first. If you haven't signed up for a 401(k) plan or begun a savings plan tailored for the self-employed, do so now. If you're not maxing out your employer's match into a 401(k) plan, do it. When the market is down, you can buy more investment shares for your dollar.

INVEST IN YOURSELF

To build a more secure financial future, try to save at least 10 percent of your take-home pay. Stay in your 401(k). Take advantage of any employer's match to a 401(k). In every budget there are items that can be trimmed. Aim for at least 10 percent and begin setting that money aside on a regular basis. Obtain free budgeting and financial planning forms. 

5. Attack the miscellaneous column: How much are you spending on cell phones and text messaging? Do you really need deluxe cable? Have you shopped around for Internet service? Can you wear a sweater and lower the thermostat? In every budget there are items that can be cut or at least trimmed. Take a hard look at all your "essentials" to see how essential they really are. Aim for a target of at least 10 percent and begin setting that money aside on a regular basis. Put it into savings.

6. Redefine the way you shop: If you are an impulse shopper, break the habit. Shop with a list. As a suggestion, get a legal pad and make that your centralized shopping list. Use a single page for groceries; stock up on goods (it is wise to buy essential items in bulk if you can measure the savings), essential clothing or big expenditures you'll need to make at specific times. Taking the pad with you whenever you spend money is a good way to keep a

grip on your wallet, as long as you don't stray from the list.

7. Consider advice on taxes and planning: Maybe you have always winged it with your taxes and considered your company 401(k) the ticket to your financial future. Chances are your planning is inadequate. Start getting references on good tax professionals and consider sitting down with a financial planning professional, such as a Certified Financial Planner, to discuss your current retirement savings picture and what you can do to improve it. At one time or another, just about everyone needs objective advice.

Budgeting worksheets and other financial planning forms and information are available in a free copy of "Navigating Your Financial Waters." To download a free copy, go to the Foundation for Financial Planning Web site, www.foundation-finplan.org, and click on the "Navigating Your Financial Waters" link. The Foundation for Financial Planning is a nonprofit charitable organization whose mission is to help people take control of their financial lives by connecting the financial planning community with people in need.

To find a professional financial planner, go to CFP Board at <http://www.cfp-board.org/search/>; the Financial Planning Association at www.fpaforfinancialplanning.org/findaplanner/searchforaplanner; or the National Association of Personal Financial Advisors at <http://findanadvisor.napfa.org/Home.aspx>.