

TEN THINGS TO DO NOW TO IMPROVE YOUR FINANCIAL SITUATION

1. **KEEP RECORDS.** It's amazing how important record keeping can be for the financial side of our lives. For instance, tax, travel, and medical expenses, or home improvements, additions and other capital expenses.
2. **PAY YOURSELF FIRST.** Most people at the end of the month end up with what's left over, assuming that anything is left at all. You need to put yourself at the head of the line as "a portion of what you earn is yours to keep." Make it a habit, even if it's not much. Consider a salary deduction program through your employer, credit union, or a banking initiation.
3. **REVIEW YOUR WITHHOLDING FORM.** Getting a fat refund check from Uncle Sam around tax time might feel good at the time, but it is poor planning. In essence you've given Uncle Sam an interest-free loan. Reduce your withholding.
4. **EDUCATE YOURSELF ABOUT MONEY.** Purchase or get a good basic book on personal finance from the library and read a chapter a day. Subscribe to a monthly publication that talks about money, investments, and savings.
5. **GET SOUND PROFESSIONAL ADVICE ABOUT TAX REDUCTION.** Pay no more than is absolutely necessary. Even if we sent our entire pay checks off to Washington, Congress would find a way to spend it. Judge Learned Hand is often quoted: "anyone may arrange their affairs that their taxes shall be as low as possible. They are not bound to choose the pattern which best pays the Treasury. Everyone does it, rich and poor alike, and all do right; for nobody owes any public duty to pay more than the law demands."
6. **REVIEW YOUR INSURANCE POLICIES.** Everyday, new and better insurance products are available. Talk to a financial planner or an insurance agent about the new opportunities for home, health, auto, life and disability coverage. Many life policies have cash value in them that could be available for investments.
7. **GET THAT WILL WRITTEN.** Dying intestate (without a will) is letting the state decide how your estate, no matter how big or small, shall be distributed among your surviving heirs. Don't let them take that privilege from you.
8. **START A SAVINGS PROGRAM.** Be sure that you are taking advantage of the magic of compound interest. Continue making payments to savings accounts once you have finished repaying loans for cars/trucks/boats.
9. **START AN INVESTMENT PROGRAM.** Even if it's only fifty dollars a month and keep it up every month. Use the principal of dollar-cost-averaging.
10. **FINALLY, WRITE DOWN YOUR GOALS.** Saying that you know what they are doesn't cut it. Write them down. If you don't know where you're going, how are you going to know when you get there? Be sure to review them often to see if you're on track.

The Darnell Financial Planning Team

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