

It's Never Too Late

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If you believe what media pundits have to say, it is too late to panic. The barn door has been open for quite awhile now and just about everything that can run out has. However, it's never too late to put your financial house in order now so that you can ride out this mess and be prepared when everything settles down. That does not mean that everything will start getting better right away. It is going to take some time before the financial world returns to normal, whatever that means.

Let's start with a subject that is dear to everyone: Money. Many people love money so much that they will allow it to do whatever it wants to do. They will just let it lay around in a bank account and rot. This statement is based on the small amount of interest that the bank pays you while they benefit from your money. Do you really love your bank that much? Instead, it's time to put that lazy money to work. Keeping a six-figure amount in your checking account impresses no one except your banker.

While we are talking about your bank, now is a good time to review your relationship with them. Pull out all of your statements and see how much of your hard-earned money you allowed them to hold onto last year. Now see how much, or should I say how little, they paid you in interest on that money. To make matters even worse, now add up all the fees and charges your bank hit you with last year. Don't be too surprised if you see that they came out ahead. You are paying more in fees than they are paying you in interest. What's wrong with this picture? What's wrong is that you still have all your money sitting in the bank. It's time to have a long talk with them and let them know you are not a happy customer. Make sure they realize that if things don't change, you will be an ex-customer.

Another financial matter to deal with is all the plastic you have in your wallet; those credit cards. When was the last time you sat down and figured out what you are paying in interest? Better yet, when was the last time you called them and said you wanted your interest lowered? Maybe it is time to do just that. As many as 60 percent of people who call to complain get their rates lowered. You might want to re-examine all your cards and see if you really need them all. You might have some of those "semi-precious" cards that come in gold, platinum and black, which really don't do any more than the regular cards except charge you a higher fee each and every year. Also make a list of all of the cards that each family member has stashed in their wallet? It is a nice idea to make a photo copy of the front and back of all the cards so if a wallet ever disappears, you have a list and the 800 numbers to call to cancel them.

Two down and one more biggie to go. It is time to take a look at all of your insurance policies and see where you can save some money. Call your agents and tell them you need a one-page summary that you can understand. That beats trying to read those policies. That one-pager needs to have the following information: The company name and policy number, premium amount, due date, mode of payment, what it covers, amount of coverage and deductibles. You should also find out which policies are for business purposes since these premiums are tax deductible. You might even ask if there are

any ways to improve coverage and lower your premiums.

Now you can see what is going on and see if increasing deductibles will save you any money. Why pay for low deductibles when you probably wouldn't submit a claim for fear of the company either raising your rates or dropping you? You might also remind your agents that it is their job to give you advice without you having to ask for it.

It is never too late to review these items and see if you can get better control of your finances and possibly save a few dollars as well.

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