

Five Financial Health Resolutions to Start the New Year

Sandra Richman

Sandra Richman, Principal of Finanswer, LLC, an organization dedicated to helping individuals, couples and small businesses make intelligent financial decisions, shares her words of wisdom to help nurses bring in the New Year with a resolution for financial health. Here's to a financially sound year!

1. Scrub your credit.

Beginning in 2005, residents of most Western states can obtain a free credit report. Go to www.freecreditreport.com to get yours. Review your credit score and what's in your credit record.

If you find old information or errors on your report, write to the credit-reporting agency to notify them of the error and request a correction. The errors could be negatively affecting your credit score.

Review your report for open credit lines you're no longer using. Close inactive or unnecessary accounts. Too much available credit in relation to your income will negatively impact the credit score, while debts and available credit in line with your income enhance your score.

If you see room for improvement in your bill paying timeliness, schedule bill paying once a month and send in regular payments.

2. Tourniquet the bleeding wound.

If you hit the vending machines, coffee cart or hospital cafeteria regularly, try bringing snacks or coffee from home. Or, if you have a long shift and can't live with skipping the caffeine rituals altogether, switch from fancy drinks to regular coffee or tea. Think the few dollars a day doesn't amount to much? Think again-you may be bleeding your financial health dry. Buying one latte a day at \$3.50 adds up to \$105 in a month, \$1,260 a year, and a whopping \$12,600 in 10 years.

3. Give your savings a shot in the arm.

If you're saving regularly, commit to saving a little more this year. Next time you receive a raise, save the amount of the raise before you get used to the extra money. If your employer has an automatic savings plan, sign up to have the money withdrawn out of your paycheck. You won't miss the money you never had.

Or, take the money saved from the lattes or vending machine snacks you're no longer buying and put it into savings. Saving \$3.50 a day in an account with a 10% annual return will add up to \$1,885 in one year, \$11,616 in 5 years, and \$339,073 in 30 years. Wow!

4. Inventory the supply room and dispose of expired items.

Spend a day going through your closets and garage. If you're not using an item, get rid of it. No excuses. Clutter and disorganization drag the spirit down, while order and openness create a warm, inviting atmosphere. Make your home light, airy, and comfortable, the haven of peace and serenity you've always wished for, the antidote to your often-chaotic nursing shift. Think about joining with friends and family to

borrow occasional use items from each other rather than buying and storing items for every possible contingency. Camping, picnic, or party/entertainment supplies are great items for group use.

5. Write a treatment plan for yourself.

Put your health and well being at the top of your list in 2005. As a nurse, you sometimes put the needs of others before yourself. Balance that out in 2005 and you may also find your bank balance looking healthier.

Commit to doing at least one activity just for yourself every day. Take a hot bath, sip a glass of red wine, call a friend, go for a walk, give yourself a pedicure, or do something else that feels relaxing and nurturing.

When you take care of yourself in ways that support your health and well being, you'll be less inclined to find other ways that ultimately detract from your financial health, such as overspending, to make yourself feel temporarily better.

For more information about Finanswer's services, or to schedule a personal finance consultation, go to www.myfinanswer.com or call 510-251-2061.

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