

## Managing your money

- dependents of living or deceased personnel listed above.

The society helps in many ways, including providing interest-free loans or outright grants for:

- emergency transportation;
- funerals;
- medical bills (patient's share);
- food, rent and utilities;

- necessary dental care;
- personal needs when pay is delayed;
- essential car repair.

The society will help Navy men and women in time of need, but it cannot help them live beyond their needs. □

*Connors is commanding officer of NIRA Reserve Det. 206.*

## Knowing when you are in financial trouble

You may be in financial trouble when:

- you don't know where your money goes and can't pay all your monthly bills;
- you have no savings for emergencies or extra expenses;
- you are forced to charge items you used to pay for in cash;
- you can afford only a minimum payment on charge accounts;

- you get into more and more family arguments over money, or are drinking or are using drugs to escape feeling powerless and threatened by money worries;

- you hate to look at the mail—full of overdue notices;

- your checkbook shows a negative balance several days or more before the next payday;

- you're still writing checks and hope your deposit beats those checks to the bank;

- you are missing payments or are juggling or stalling one creditor to pay another;

- your command gets similar notices about your payment problems;

- the only time you can shop for groceries is on payday;

- creditors are calling you . . . and you are afraid to pick up the telephone;

- your car breaks down and there is no money for repairs;

- you often ask a friend "for a few bucks till payday";

- you frequently wear a shabby uniform or worn shoes.

One or more of these signs may mean the Navyman or woman has a financial problem. If supervisors see one or more of these warning signs, he or she should take a closer look and be prepared to call a sailor in for financial counseling. □



# Your

By Faith R. Connors

This is the first of a three-part series on personal finance which covers *record keeping, establishing credit, and family budgeting.*

### Personal records: what to keep . . . where and why

You can get more for your money and eliminate many of life's problems if you take the time to handle your personal finances carefully.

Personal and family record keeping is a necessity, but it need not be an unpleasant chore if you keep several important points in mind:

- Start your record keeping early and organize your files at the start, before the accumulation becomes overwhelming.

- Keep your system simple.

- Keep your records portable. You may have to travel or deploy on very short notice.

Record keeping is one of the most important aspects of running your household. A metal record box—or cardboard file box—along with a dozen or so folders from an office supply store will be needed. What follows is a list of what should be kept in each folder at home and a list of what should be kept in your safe deposit box. Some helpful tips to assist you in keeping good records are also included.

### Folder 1—Miscellaneous

- ✓ A copy of your will (the original goes in the safe deposit box).

- ✓ A list of the contents in your safe deposit box.

- Letter of last instructions (augments the information in your record of emergency data, a duplicate of which should be included in this folder).

- Personal information sheet listing the

# personal records

following: Social Security Number; name and address of the bank where you have a safe deposit box (and the location of the key); list of your bank accounts, savings accounts, and brokerage accounts; list of the names and addresses of your attorney, broker, life and property insurance agents, accountant and your executor.

## Folder 2—Household Budget.

- List of budgetary goals.
- Income statement.

- Budget control sheets (from previous years).
- Income and expenses forecasts.

## Folder 3—Housing Information.

- ✓ Purchase contract and receipt or lease/rental agreement.
- ✓ Title and insurance papers.
- Receipt for landscaping.
- Receipts for home improvements.
- Receipts/statements for property taxes.

- ✓ Termite inspection policy/papers.

## Folder 4—Personal Property.

- Photos of your most valued items.
- Inventory of personal property.
- Information on property insurance coverage.

## Folder 5—Investments.

- Records of purchase/sale of stocks, bonds, mutual funds, plus monthly statements.
- Annuities information and statements.
- ✓ List of savings/checking accounts.
- ✓ Goal planning sheet.
- ✓ Annual balance sheet.

## Folder 6—Tax Records.

- Purchase receipts indicating sales or other taxes.
- Interest payment records (charge accounts).
- Charitable gift confirmations, e.g., Goodwill Industries, Salvation Army.
- Payments and records concerning medical expenses.
- W-2 forms.
- Canceled checks for current year.

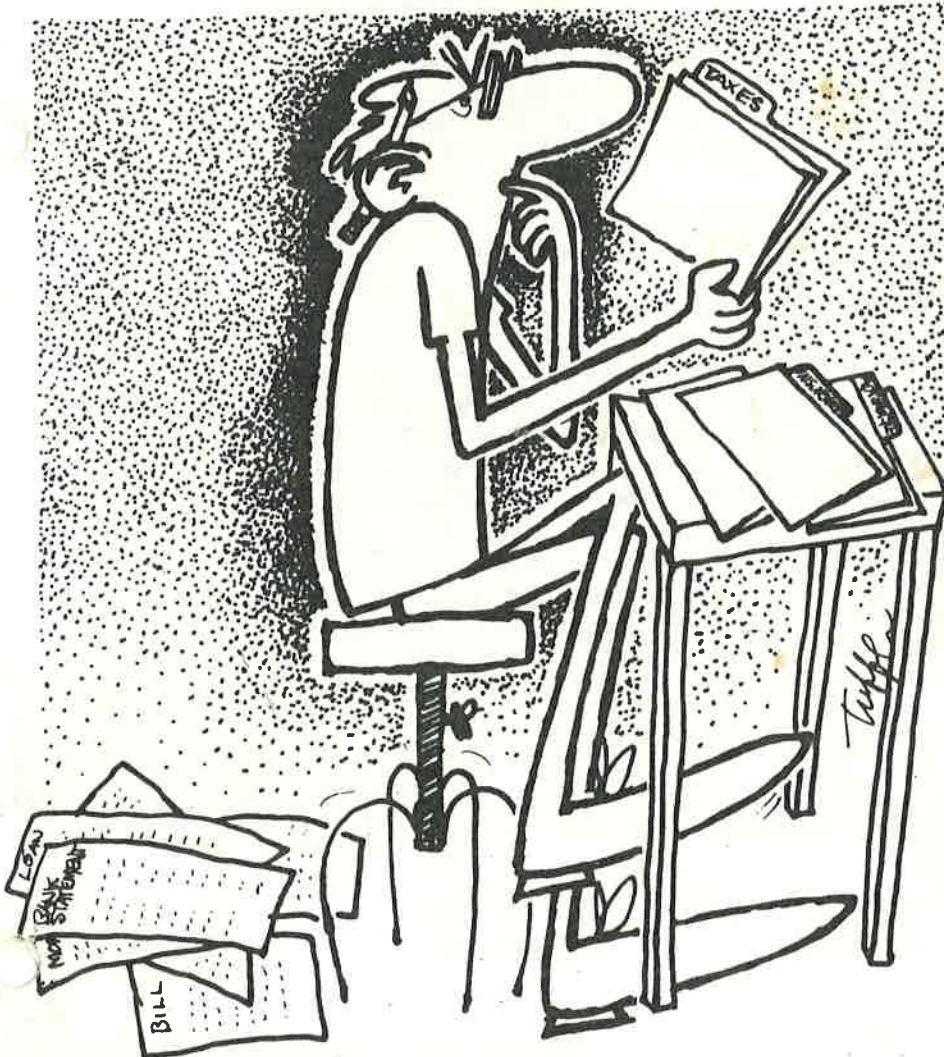
(Tax forms and relevant information for the past 10 years, and all canceled checks for the past seven years may be boxed and stored separately.)

## Folder 7—Guarantees & Warranties.

- Appliances.
- Receipts.
- Carpets.
- Repair instructions/information.
- Employment contract/information.
- Employment handbook/fringe benefits.

## Folder 8—Personal Background Information.

- Details of education.





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- Supervisors, titles, addresses.
- Resident records—past addresses.
- Copy of DD 398, Statement of Personal History.

## Folder 9—Credit Records.

- Resolution papers of past debts.
- Credit card names, account numbers, addresses and 800-telephone numbers.
- Forms for lost or stolen cards.

## Folder 10—Automobile Information.

- Details of auto insurance coverage.
- Auto insurance policy(ies).
- Records of accidents.
- Records concerning traffic violations.
- Receipt for auto registration.
- Records of auto repair/maintenance expenses.

## Folder 11—Health Insurance.

- Booklet/details of present coverage.
- Forms for making claims.
- Health histories of family members (list drug allergies, etc.).
- Copy of military health record.
- CHAMPUS information.

## Folder 12—Life Insurance.

- Insurance policies/information.
- Servicemen's Group Life Insurance (SGLI) information/papers.
- Employee group policy information/coverage.

## Folder 13—Dependents.

- Schools attended, dates, addresses, honors received, test results.
- Religious documentation.

### A safe deposit box: do you need one?

You probably do. It's a much safer storage location for more than just your jew-

lowing items in it for safekeeping:

- Title to your automobile(s), plus related insurance papers.
- Social Security Numbers.
- Military discharge papers, DD 214:
- Marriage certificate, including dissolution papers from previous marriages.
- Deed to your home, plus other real estate deeds.
- Letter of last instructions.
- Securities, stocks and bonds.
- Original copy of your will, another copy being kept at home or aboard ship.
- Personal property inventory.
- Photographic negatives of your most highly valued items for insurance corroboration.
- Passport.
- Diplomas.

Keeping careful records is an important aspect of personal financial management. You might also include bank account information in your safe deposit box. If names, addresses and telephone numbers of your beneficiaries are not included in your will, list these in your safe deposit box. In addition, you could include your employer's name, address and telephone number, your accountant's name and telephone number, and those of your attorney and property and life insurance agents.

### Personal and family record keeping tips

#### • Inventory.

In the event of a fire or theft, could you remember all of the valuables in your household and know exactly which things were missing?

If you don't have a household inventory, make a detailed list of all your household goods and personal belongings. Buy

by room, make a list of items in your house or apartment. Sketch the arrangement of items in the room on a sheet of graph paper. Take several photos of the room with important items in plain view.

Update your household inventory regularly. Save all photos, receipts and appraisals. Store your inventory in a safe deposit box.

With a complete inventory and proper insurance coverage, you can file a claim quickly in the event of a loss and prove ownership in the event of a robbery. Your receipts and inventory offer documentation to your insurance company.

Replacement value insurance may cost more than a depreciated value policy, but in the event of a loss, your insurance coverage will be far better.

#### • Homeowners.

Save all receipts for home improvements and landscaping. As a homeowner, you will get a one time, tax-free sum of money when you sell your house after age 55 (under present tax law). The sum will be larger if you have all receipts and can prove what you have spent over the years to improve your house.

Do you know how well you fared financially last year? If you have been concerned about your personal finances, why not prepare a personal or family income statement to help you evaluate the "financial business" of your household? Use an income statement to help you measure the financial position of your household.

Check the bottom line! You will see how the financial records you have organized and kept will help you determine your household income and expenditures, and it will show you how well you have done over the past year. □

## INVENTORY CHECKLIST FORMAT ...

Room	Item	Quantity	Date of Purchase	Original Cost	Current Cost
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