



Drudgery. Tedium. Personal Finances!

The Motley Fool

By Dayana Yochim

There's so much unpleasantness involved in keeping financial house — receipts that multiply like bunnies, the incessant parade of bills, ever-changing tax laws, retirement account acronyms, and a forest's worth of "consumer agreements" that become obsolete before trash pickup. I'm not sure which is more stressful: Trying to make smart money decisions or getting through the accompanying paperwork.

Here's what I tell myself so I can muster the energy to slog through the day-to-day money tasks.

Late fees. Life is what happens between billing cycles. And when life gets more interesting than paying bills (if yours never does, I hope you at least have cable TV), things slide. It's easy to gloss over the occasional \$25 late fee here and there. But don't. It is more and more likely that your lazy tendencies will come back to haunt you in unexpected ways. For example, using the perfectly legal "universal default clause," a credit card company can raise your interest rate if it finds out you've been late paying another lender's bill. Thankfully, you can see exactly who is snooping around your credit file. (As long as you're on the lookout, here are some other sneaky ways they'll get you when you're not paying attention.)

Delayed gratification. Who was it who dreamed up this idea of having an employer take money out of our current paychecks — perfectly good money that could be spent on some really cool stuff — and keep it from us until we are old and gray?

Well, we owe them a fruit basket. Because of them, our future selves are protected from our present, less-mature, spendthrift selves. Without such inventions as IRAs and 401(k)s, the "golden years" would be called the "grim years." They knew that the cost of not saving for retirement... well it's almost too overwhelming to consider: Inflation eroding what you do manage to sock away. The inability to choose a lifestyle. Subsisting on whatever government handouts — if any — that may exist in the future. Ramen every night for dinner. (And not the fancy four-for-a-dollar kind, either.)

You can spare 6 1/2 minutes to fill out a brief but telling worksheet (described here) that estimates what your retirement will be like based on your current savings. Even if retirement seems light years in the future and there's a shoe sale at Nordstrom.

Fussy budgets. Track every dollar you spend and save? Not really a riveting way to spend one's free time. Still, spend just three days doing so and you may make a few unflattering spending discoveries. For example, I hear from my sources that it's easy to fritter away \$27.13 on stale turkey sandwiches, over-carbonated soda (available for a quarter at the office), glossy magazines you can read online, a



newspaper that is out of date by the time you get to it, and some Chapstick. (No one's raising their eyebrows over that last one.) You, too, may find that you're mindlessly gushing money. The antidote? Automation. It's easy to set up automatic balance transfers into your retirement and short-term savings accounts so you don't have to think about every dollar every moment of the day. If you're feeling a little more motivated, the Family Financial Network is giving away its Quick & Easy Budget Kit (including workbook and CD) for free through mid-February. Go to www.freebudgetkit.com. C'mon, even I can muster the energy to make my way through its four-step guide.

Junk mail. When did account statements begin to rival Cosmopolitan in their information-to-advertising ratio? The average American spends more time sifting through the fliers for credit insurance, clocks, and "delightful" figurines depicting English royalty (an actual offer) than reviewing the actual account statement. But do so at your peril.

Buried in the four-color sales pitch printed on heavy paper stock may be a notice that your credit card payment is due a little earlier in the cycle. (Hello, \$35 late fee!) Stuck under the flap of the envelope are the highway robbery clauses for those convenience checks at an indefinite 3.99% APR. Did you know that your broker has begun charging a quarterly account maintenance fee for the past year? Of course not; you thought that slip of paper was just another worthless envelope filler.

Anything worth reading — from your cell phone plan, cable TV provider, or gym — is usually in the fine print. Avoid the unsavory consequences of flinging every insert into the trash before you note its contents. Even worse is when junk mail resembles real mail. There's nothing more irksome than a \$35 parking ticket that skyrockets to 60 smackaroos because you thought the reminder was just another Very Special Offer From [insert whatever magazine you used to subscribe to]. The answer? Put a trash can next to wherever you open the mail and actually open your mail.

There's so much to dread about dealing with day-to-day financial obligations. But even scarier is the thought of what might happen if you don't.

Dayana Yochim is the co-author of [The Motley Fool Personal Finance Workbook: Your Foolproof Guide to Organizing Cash and Building Wealth](#). Ironic, no?

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