



New Year Re\$olutions: How to Refresh Your Budget

Sound Credit Union
January 27, 2021

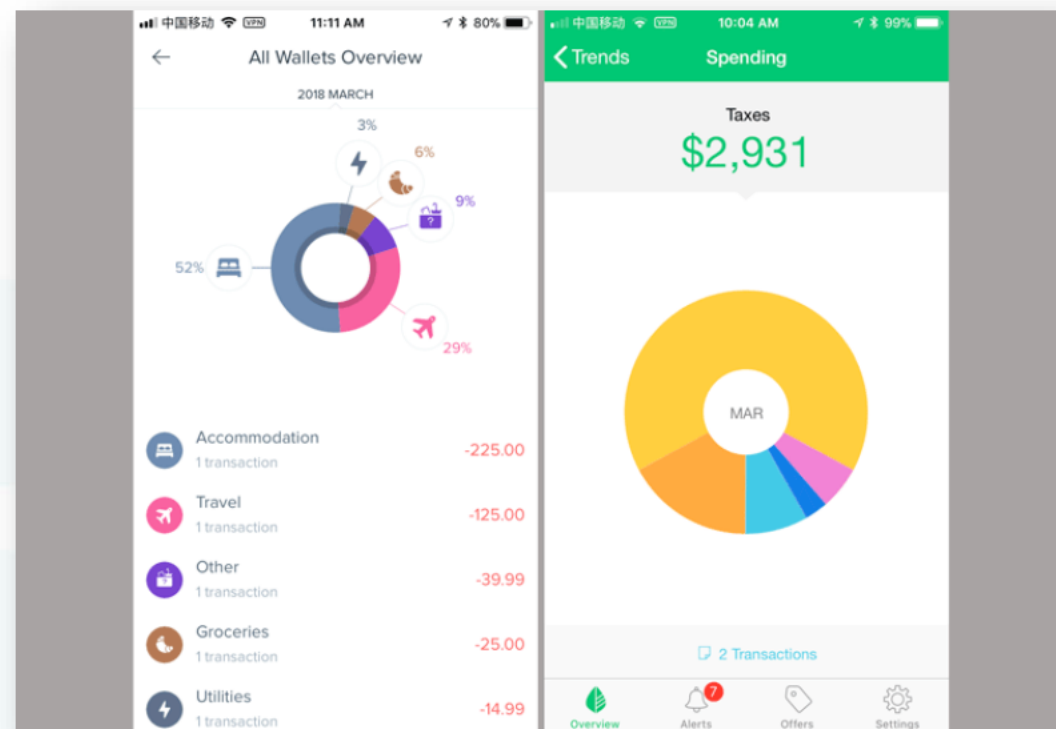
What are your financial goals?

- Buy a home?
- Pay off your car loan?
- Improve your credit score by 20 points?
- Build an emergency fund?
- Retirement?
- Be specific with your goals.
- Create a plan.



2020 in review

- Look at your year-end summary or annual report from your credit card or financial institution.
- Use your credit card app to identify spending categories.
- Take a look at your spending trends to help improve your spending for the next year.



Review your insurance

- What are your needs?
- What type of insurance do you need?
- Is your insurance bundled?
- Does your premium & deductible fit your budget?



Look to improve your credit

- Request your free credit report from each of the bureaus:



- You can request a free weekly report until April 2021.
- Take account of any errors.
 - Dispute any credit dings that are incorrect with your lender
 - If fraud is happening, take action.



2021 budgeting

- #1 Create a budget
- Consider the 50/30/20 rule.
- Use apps or spreadsheets to stay organized.
- Identify how your goals will fit within your budget.



MONTHLY BUDGET		MONTHLY EXPENSES		MONTHLY INCOME		% OF INCOME SPENT	NOTES
Item	Amount	Item	Amount				
Rent	\$700	Salary	\$2,000				
Power	\$135	Bonus	\$175				
Water	\$30	Freelance	\$400				
Cable/Internet	\$90	Other	\$50				
Cell Phone	\$90						
Car Insurance	\$75						
Groceries	\$300						
Miscellaneous	\$475						
Gym Membership	\$40						

Know your income & expenses

- Once a month sit down and review income & expenses
 - Understand what is coming in and going out
 - When do you get paid?
 - When are payments due?
- Remember the 4 C's
 - Committed
 - Confident
 - Control
 - Composed



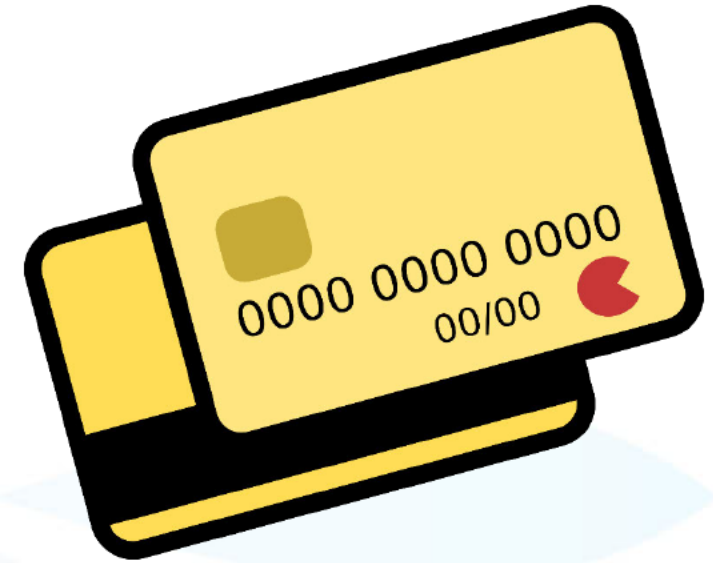
Create saving plan

- Take charge of your financial future
- Start early
- Direct deposit
- Short term goals
- Long term goals



Lower your debt

- Know your credit situation
 - Who are your creditors?
 - How much do you owe?
 - What are your due dates?
 - What are your interest rates?
- How much can you afford?
 - Can you pay more than the minimum?
 - Evaluate all your credit cards
 - Pay off the highest interest rate first!
 - Make sure you pay on time!
 - Don't take on more than you can manage.
- Should you consider consolidating or balance transfer?



Control your spending

- Review your subscriptions
- Cook at home
- Reduce the use of a credit card
- Think before you buy
 - Is this a necessity or a want?
 - Can you wait 6 months to buy this?



Thank you!

