

Welcome to the SeaComm Federal Credit Union podcast! Your guide to financial information and what's going on at your credit union.

The New Year, 2019 is off and running... so how are those financial resolutions going for you? According to most polls, losing weight and living healthier is still number one followed closely by... better finances and saving money. Are you off to a good start financially or is it starting to slip away already?

Here are a few thoughts that might help as we go through the year:

1. Be careful with credit. Credit, when used wisely, can be a great financial tool, but there is a cost to credit and relying on credit cards to pay regular bills will land you in financial difficulty quickly. You may want to follow the 20/10 rule... The 20 refers to your overall debt. Excluding mortgage debt, you should keep your borrowing total below **20%** of your annual after-tax income. ... With a goal of keeping your payments on all loans and credit cards to no more than **10%** of your monthly after-tax income. Now, this may be a bit restrictive especially for people with student debt, but if you do follow the 20/10 rule, you won't be over extended credit wise.
2. Always look for savings. There are hundreds of ways to save money... everything from grocery shopping with a list, and sticking to it, to turning off lights when not in use and cutting the TV cable. The internet is full of ideas to help you get started. Now, if you haven't already done this, try a spending log... just write down every penny you spend over a several month period and then look back through the entries. I guarantee you'll find places where you waste money. Make a few changes and the savings appear. And remember; put some of what you save in a savings account. Your future self will be very happy you did.
3. And this is very important... pay your bills on time! When you don't, you pay late fees and that's like throwing money out the window. It can also ding your credit report and cause higher interest rates on future loans. Set up automatic payments and alerts through NetTeller here at SeaComm. You know, what's automated gets done! You can also automate your savings. When your direct deposit paycheck hits your account set it up so a portion is transferred right into a savings account. After a while, you won't even miss the amount!
4. Always be frugal. Think twice before spending extra money. If you plan to make a special purchase, sleep on it. You may decide you don't really need it at all.

Here's to financial success in 2019!

That's it for this edition of the SeaComm Federal Credit Union podcast. Thanks for joining us!