

# PATHWAYS

GREENPATH NEWSLETTER

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## 2019 Is Your Year to Get Out of Debt! Here's How to Start

If credit card payments make up a big portion of your expenses, paying off debt might be one of the first ways you can save money. High-interest credit card debt is expensive to keep around. That's probably why more than 30% of New Year's resolutions are related to getting out of debt and saving money. Here are some tips on how you can make a successful resolution to get out of debt.

### PLAN YOUR WORK, WORK YOUR PLAN

We all know it's tough to stick to a resolution. A key difference in those that succeed is creating a plan. Wanting it is good. Knowing how you'll get it is even better.

In the world of personal finance, making that plan means figuring out how much money you have to work with (how much you make), and deciding how to spend it. A spending plan – aka a budget – gives every dollar you earn a job.

### WHICH CARD TO PAY OFF FIRST? (DO WHAT'S BEST FOR YOU AND YOUR PLAN)

The way to save the most money is to pay off your debt. Usually, this means paying extra on your highest-interest credit card debt first.

If you know you need the motivation of seeing an entire card get paid off sooner, you might choose the snowball method – paying off your smallest balance first, moving on to the next smallest, and so on. This method may take you a bit longer but can be a successful process for those who are trying to work their way out of debt.



You can pay off debt on your own with a solid plan. Or you might consider a Debt Management Plan, which is designed to pay off debt faster and save money through reduced interest rates and a structured repayment plan. If your payments are high this plan can also help to reduce your monthly payments. You can compare the two options with our debt payoff calculator.

### FREE FINANCIAL COACHING

GreenPath offers free financial counseling and education to support people in paying off debt. Our professional, caring coaches will explain your options, including paying off your debt on your own or using a Debt Management Plan. They'll support you to develop a personal action plan that works for you.

Call us today to find more about how we can help start your new year off right, with less worry and debt.

As a member of Hampton Roads Educators Credit Union, you can take advantage of GreenPath, a financial education and counseling program. To use this service, simply call 1-877-337-3399 or visit them on the web at [www.greenpathref.com](http://www.greenpathref.com).

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