

5 WAYS TO SPRING CLEAN YOUR FINANCES

Q: Spring is here! I've cleaned out my house and now I'm ready to take on my finances. I'd love to give them a thorough cleaning, too. Where do I start?

A: It's wonderful that you've decided to clean up your finances. Springtime is months after the holiday squeeze and still a while away from the pricey summer season, making it a prime time for whipping your finances into shape.

So, let's get cleaning!

1. Dust Off Your New Year's Resolutions

We get it: New Year's resolutions get stale as soon as the calendar hits February. But this was the year you were really fired up and ready to conquer the world. Why sell yourself short when your goals are actually within reach?

Use the fresh energy and renewal of spring to revisit the list of resolutions you penned back at the end of 2018. What were your budgeting goals? What were your savings dreams? Have you achieved any of those goals? If not, what's holding you back?

Take stock of where you are financially and get back on track, moving forward and toward those goals. It's not too late to make it happen this year!

Do it today: Dig out that paper with your New Year's resolutions and go through your financial goals one at a time. Did you overreach? Were you irresponsible? Tweak and adjust as necessary, create a new tracking system if the existing one isn't working, and then get out there and own those goals!

2. Sweep Out Your Monthly Budget

Now that you've taken stock of your resolutions, take a good look at your monthly budget.

Review your spending habits of the last few months. What are your weak spots? Where can you cut back? Have you been allotting too much money for one category and not enough for another? It's time to take stock!

Do it today: Review your monthly budget and choose one area to trim. Create concrete and realistic steps to make that happen. For instance, try the money envelope system to keep you on track, or stick to cash-only so you don't slip up. Your budget will thank you!

3. Freshen Up Your W-4

You might be celebrating a generous tax return this year, but that only means the government has been handling some of your money all year long instead of it earning more for you. It's almost like giving the government an interest-free loan! You could have used those funds to start investing, add to an existing emergency fund, launch a business or to save for your dream summer getaway.

Take a closer look at your W-4 so you don't overpay in taxes again this year.

Do it today: Spend some time researching your best withholding options or ask your accountant to help you work out the numbers. Adjust your W-4 accordingly and submit it to the payroll specialists at your workplace.

4. Pile Up Your Savings

Once you're cutting down on your spending habits and taking home a larger check each payday, why not use the extra money to bump up your savings? You can add to an existing fund, build a new one, open a Savings Certificate or start investing. You have many great options!



Speak to a MembersAlliance Credit Union Member Services Representative today to find out about our fantastic savings options.

Do it today: After choosing a savings option, stop by MembersAlliance to set up a direct deposit. Each month, your money will be automatically transferred from your checking account to your new account. It's the ultimate in set-it-and-forget-it!

5. Toss Your Debt

This spring, while you try on old, scratchy sweaters and make piles of junk to toss in the trash or sell for cash, why not get rid of your debt, too?

Debt is ugly on you. It holds you back from moving forward, keeps you in a spending trap that only gets stronger with time and clings to you like caked-on mud. Wash it all off this spring with an actionable plan to get rid of that debt for good!

Do it today: We know that paying down debt is easier said than done. But, you can do it! All you need is a plan. Review your debts and pick one to pay off first. It can be the debt with the smallest amount of total owed or the one with the steepest interest rate. Find a way to double down on your payments toward that debt. You can do it by taking on a side hustle, seeking a promotion at work or trimming existing expenses. After you've paid down this debt, move onto the next one. Accelerate its payoff by applying the total payment amount from your first debt to the new one – in addition to the regular payment you were making on it. Keep going until they're all gone. It might take until next spring, but eventually, you'll kick all of your debt to the curb!

Spring is here—it's time to freshen up your finances so they'll be in tip-top shape for summer!

SOURCES*:

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<https://www.google.com/amp/s/amp.kiplinger.com/article/retirement/T065-C032-S014-3-ways-to-spring-clean-your-finances.html>

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