

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

This time of year is the perfect time to start working toward your financial goals. Now, if you don't have any then perhaps you should start setting some.

You know, it's a good time to decide where you want to be financially one year from now, 5 years from now and even longer into the future. Having goals will change how you look at your money. You'll start to see how every decision you make matters to your greater financial health. Defining your goals allows you to create a realistic plan to achieve them. Goals will force you to prioritize, create accountability and allow you to track your progress.

Once you set your goals, then comes the plan to achieve them.

Well first things first, develop and stick to a budget. Budgeting is the process of creating a plan to spend your money. Creating this spending plan allows you to determine in advance whether you will have enough money to do the things you need to do or even would like to do.

Budgeting is a fairly simple process but it does take some effort. So here's how you do it.

Write down your expenses. Include bills that are the same every month, like rent, bills that might change every month, like utilities, bills you pay once or twice a year, like car insurance or property taxes. Also add other expenses such as food, gas, entertainment, clothing, school supplies, money for family, you should also set aside money each month in an account for unplanned expenses, like car repairs, medical bills or many other things that will come up. You might have bills that change every month. To budget for them, look at what you paid for the same month last year. For instance, you might need \$200 for your gas bill in January, but only \$30 in July.

On the income side, write down how much money you make. This includes your paychecks and any other money you get, like child support or other benefits.

Then subtract your expenses from how much money you make. This number should be more than zero. If it is less than zero, you are spending more money than you make and you shouldn't be doing that. If that's the case, you have two choices, make more money... or cut expenses.

You might want to ask for a raise, work more hours, get a better job or start a side hustle.

On the other hand, you can scrutinize the expense side of the budget and make some changes.

If you eat out a lot, you can save lots of money buy packing a lunch and eating at home more often. Something else you can do is look at subscriptions and memberships. There may be money going out for services you don't really need or even use anymore. There are also lots of ways to save at the grocery store and it starts with going shopping with a list and sticking to it.

If credit card debt is taking too much of a bite out of your budget, it might be a good idea to consolidate that debt with a loan here at SeaComm. It would turn several payments into one and could save you a considerable amount of interest over the long run and that could help get that budget in line. You can apply in person at any of our branches, online at [seacomm.org](https://seacomm.org), on the phone and via our mobile app.

Getting those finances in order in 2022 is a really good idea, but you need to make some time to think about it and take those first steps toward financial freedom.

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