

Spring-Clean Your Finances

Six ways to refresh your financial health



Winter is finally over, and spring weather is in full bloom. A lot can happen in a year, or even in the last few months of hibernating from the cold. In the season where we start to refresh our homes and open our windows, think about the easy steps you can take to stay on track with your financial health, find ways to reduce your expenses, and save for your short- and long-term goals.

Financial Goals Reset

If you started any spending or savings goals at the beginning of the year, now is a great time to evaluate how far you've come and what you can do to improve. If you haven't set any goals, there's no better time to start. Saving for a down payment, sticking to a spending budget, or increasing your retirement contribution are popular goals if you don't know where to begin.

Review Your Budget

As the foundation of your financial health, a monthly budget should be reviewed regularly, especially after a change in your income or expenses. Make sure your budget has been regulated to reflect any changes in employment income, loan installments, or new financial goals. You can also look for areas where you could cut back or are overspending.

Request a Credit Report

You can request one free credit report every year from each of the three major credit reporting bureaus on www.AnnualCreditReport.com. This report will give you a quick view of all your credit accounts and your credit score. Now is the time to make sure there are no unusual accounts in your name. Contact the credit bureau if you see suspicious activity.

Check Your Debt

Start by listing each of your current debts, including the amount owed and the interest rate. Now that you have a clear picture of what you owe, create a plan for paying down each debt. Whether it's a loan or large credit card payments, you can use a debt repayment strategy to help you pay off the balance sooner and save money on interest in the long run.

Fill the Emergency Fund

Experts suggest having an emergency fund of three to six months' worth of expenses for any large unexpected costs that could leave you in a bind. This could include losing employment, large medical bills, or a repair that is not accounted for in your monthly budget. Prioritize the creation of this fund and work on ways you can save to fill it as much as you can.

Reduce the Fluff

Are there any subscriptions or memberships you haven't used or can live without? This is a great opportunity to see where you could be saving by canceling these unnecessary expenses. You could also request to receive paperless bills or statements online, which reduces the clutter in your home, is eco-friendly, and allows you to view documents in one convenient location.

