MANAGING DEBT

Budgeting & Financial Planning

- Keep track of spending
- Effective budgeting includes planning for debt repayments, savings, and investing *(Nguyen, 2019)*

Debt Repayment Strategies

- Avalanche Method: paying off debts with the highest interest rate first
- Snowball Method: paying off the smallest debts first

powerpay.org can help create a debt elimination plan

Debt Consolidation

- Combining multiple debts into a single one to reduce overall interest costs.
- Can be achieved through personal loans, balance transfers or home equity loans

Emergency Fund

- Help with unexpected expenses without incurring more debt
- Put away 3-6 months worth of expenses

Behavioral Changes

- Adopt good financial habits such as avoiding new debt, use cash instead of credit, and make regular payments