



Shed Your Debt Weight

Did you make any resolutions this year? Many people plan to shed the extra pounds that are dragging them down – but does that include weight from your bad debt? It's amazing how heavy a maxed out credit card can feel! If you want to shed your debt weight and improve your financial health, read on.

Getting Started

1. Take stock of your obligations: list how much you owe and how much interest you are paying. Seeing it all in black and white can be strangely motivating.
2. Prioritize your debts: mortgage and vehicle payments are typically at the top of the list.
3. Track where you are currently spending your money. Before you can make any changes, you need to identify what you can change.
4. Create a budget. Without a personal budget, it is impossible to live within your means.
5. Develop a realistic debt reduction plan; consider:
 - ♦ where you can trim expenses
 - ♦ if you can generate some extra income
 - ♦ if you should suspend regular investment contributions while you're paying down debt
 - ♦ if you can consolidate your debt at a lower interest rate, without incurring more debt
 - ♦ if you need assistance to consider your options and develop a plan that will work – visit our website for more information, www.NoMoreDebts.org.

Looking Ahead

Over the long term, debt will drag you down. The interest and fees you pay will only grow. The more you spend to service your debt, the less money you have available for what's important to you. Dropping your debt weight sooner than later is easier than dragging it around with you!



Try these small changes on for size:

- ♦ Use only cash, no plastic of any kind, for all of your purchases for one week.
- ♦ Prove to yourself that you can live without your credit card and put it away for two weeks.
- ♦ Plan not to eat out for one week – prepare to do that by shopping for foods that you can take along for lunch; create a meal plan for dinners; no take-out on the way home either.
- ♦ Don't buy any drinks-to-go for two weeks – coffees, teas, waters, juices, pop.
- ♦ Scale back your cell phone features for one month and only use your phone for essential calls.
- ♦ Reduce the monthly fee on one utility bundle, e.g. lower your cable package, for two months.



For more information about budgeting, the wise use of credit and options for dealing with debt, please contact the Credit Counselling Society at **1.888.527.8999** or log onto **www.NoMoreDebts.org**.

We are a non-profit service, helping individuals and families with free, confidential, and unbiased counselling, information and referrals.