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Wealth Management Update

Four Steps to Debt Reduction

Easy access to credit can contribute to a lifestyle that starts out with debt and gets worse as spending pressures increase. If you've accumulated debt, how can you dig yourself out?

Calculate Exactly What You Owe: List your debts and minimum monthly payments, due dates and interest rates. Rank debts from highest rate to lowest. Decide if any debt is worth keeping. Consider mortgages and college loans since interest on most mortgages is tax deductible and many college loan rates are reasonable.

Set Up a Budget and Start Eliminating Your Debt: A budget helps you decide how much extra cash you can devote to paying debt. It also helps you identify expenses that you can cut back on, which leads to more cash to further reduce your debt.

Lower Your Borrowing Costs: Compare what rates credit card firms are offering. Then get your current

credit card company to match the attractive rate you discover. Or, transfer your current higher interest-rate balance to a company offering a lower rate. However, make sure you find out how long this lower rate will last and what the regular ongoing rate will be. Also, be on the lookout for balance transfer fees.

Cash Is King: Try to stick to cash and/or use a debit card. Unless you have developed a disciplined approach to pay off the balance, do all you can to avoid using a credit card. Find one card with a low rate for situations that may require one, like Internet purchases, but be sure to pay it off every month.

Advisor Corner



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I pride myself in offering you expert financial advice along with personalized service. Assisting you in reaching your financial goals is my business and I take that responsibility very seriously.

As an objective and independent fee-only wealth manager, my sole interest is to ensure my recommendations meet your financial goals.

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Our wealth management services include investment management, retirement and gift planning, education funding, and other advisory services.

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