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## **How to Actually Keep Your New Year's Debt Resolution**

For most of us, the New Year brings resolutions around two things: waist tightening and wallet tightening.

Getting out of debt is routinely cited as one of the most commonly broken New Year's Resolutions. Paying down debt can be a life-altering resolution. But, resolving to do something and actually doing it are two different things. Whatever the reason, let's focus on a few key steps to lead you to a debt free lifestyle.

### **1. Know What You Owe**

Getting out of debt requires you to face what led you into debt in the first place. Create an inventory of your debts, including their totals and interest rates. Add them up to see exactly how much you have to pay down.

Defining your goal can help you focus your payoff journey and envision what being debt-free might look like.

### **2. Break It Down**

Focus on the day-to-day steps needed to achieve your goal. Maybe it's skipping that medium chai latte every morning or cooking at home a couple more times a week instead of eating out.

Figure out how much you can actually put towards your debt each month.

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Decide how you'll approach paying off debt. Try using the [Debt Snowball Method](#), in which you pay off smaller debts first to secure early victories that will keep you motivated.

Trim down your current expenses to find more money for paying down debt.

### **3. Keep Yourself Accountable**

Track your progress and create a backstop to help you stay focused, such as updating a friend about your progress each month. Consider using [a mobile app](#) to help you solidify your new habits.

### **4. Treat Yourself**

Build in rewards as you make progress. For example, for every \$100 you pay off, give yourself some small treat to celebrate. This encourages you to stay on track toward paying off your debt in 2020.

### **5. Keep It Off**

Like weight, without resilience, debt has a way of coming back. As you pay off your debts, close any credit card or finance accounts that you don't absolutely need. Obviously, you can still enjoy the convenience of having a credit card—but you may find that you don't need as many.

With a little determination and patience, this will be one resolution that will reap great rewards for your future. Once your debt is paid, you'll want to focus on ways to save. Visit any branch to get started today!

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