

# Get Ahead of Your Debt

Do you have a plan to get ahead of your debt, even as households face price increases for everyday essentials?

To handle rising costs, many people lean on consumer credit cards. Recent data shows that household debt balances for high interest credit cards and other consumer debt are at record levels. Carrying high debt balances can hinder your financial freedom and lead to substantial interest payments, making it challenging to achieve long-term financial stability.

This is where a trusted, national nonprofit like GreenPath comes in. To reduce stress, it's helpful to get advice and an action plan to get you on track to pay off debt and build a healthy financial life.

While connecting with GreenPath is a great option, see these steps below to build a more secure financial future.

## Let's Get Ahead of Your Debt Together

When you're ahead of your debt, you have more financial freedom and flexibility. You don't have to worry about making monthly payments or accumulating interest, which means you can use your hard-earned money for things you really care about, like experiences, investments, or saving for the future. Being debt-free also gives you peace of mind, reducing stress and allowing you to focus on your goals without the burden of financial obligations.



877-337-3399

[GreenPath.com/ZealCU](https://www.GreenPath.com/ZealCU)

**Americans' total credit card balance in 2023**

**\$1.031 trillion**

**Federal Reserve Bank of New York**



Even in the face of financial uncertainties, GreenPath clients have told us that it is easier to make healthy financial choices when they have strong options at their fingertips.

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# Get Ahead of Your Debt

- #1 Set a spending plan as a roadmap to be debt-free:** Assess your monthly income against current expenses. Has your income increased, decreased, or remained steady? Use an app or online budgeting tool to track monthly income (what's coming in) and all your expenses (what's going out). Setting a spending plan helps ensure you can cover your essentials while allocating extra funds toward paying off your debt.
- #2 Cut unnecessary expenses:** Identify non-essential items in your budget that you can live without and consider more affordable alternatives. This can help free up extra funds to put toward paying off your debt faster. Limit credit card use and curb discretionary spending such as eating out (plan your meals), streaming services or subscriptions.
- #3 Start with small victories:** Focus on paying off smaller debts first to build momentum and motivation. Celebrate each milestone as you gradually eliminate your debts.
- #4 Contact your lenders, creditors, and landlords:** Take action sooner than later to have an honest conversation about available hardship options. When you team with GreenPath, we can streamline this important task and connect with your creditors on your behalf.
- #5 Build an emergency fund:** Establish a safety net by setting aside some savings for unexpected expenses. This can prevent you from falling back into debt when faced with sudden financial challenges. Look ahead. If your washing machine needs to be replaced in the coming months, try to set aside cash now. Put savings on autopilot with each paycheck (set it and forget it). Even a small amount will add up over time.
- #6 Consider a side hustle:** Explore part-time job opportunities or freelance work that aligns with your skills and interests. Seasonal work could be a good option. The additional income can be earmarked to accelerate your debt repayment and provide a buffer for your budget.
- #7 Choose a debt payoff strategy that works for your situation:** Consider a **Debt Management Plan** which helps you pay off unsecured debt in 3 to 5 years. GreenPath works with your creditors to bring your accounts current, lower interest rates, and eliminate fees. More of your payment goes toward reducing your account balance and you save money on interest.

60 YEARS TRUSTED  
NONPROFIT

As a trusted national nonprofit serving people for more than 60 years, you receive trusted guidance to get ahead of debt with a debt management plan program designed to improve and promote financial wellness.



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