



**uw
credit
union**

Pay It Down

*How to Create &
Stick to a Debt
Repayment Plan*



**uw
credit
union**

Improving the Financial Well-Being of People

Today's Topics

**We recognize everyone's
situations are unique.
We are here for you!**

Benefits Of Paying Down Debt

Steps To Creating A Debt Repayment Plan

Tips For Sticking To Your Plan And
Overcoming Challenges

Resources



**All questions are good questions,
drop them in the chat!**

**We all have expertise,
share your experiences and tips!**

Benefits of Managing Debt

What would your life look like if your debts were manageable?

How would it feel to be in control of your debt?

What goals could you achieve?

Getting Started

- Reframe your thoughts



Getting Started

- **Face your fears**
- **Change comes with understanding**
- **Make a list of your debts**
 - **Account Name**
 - **Balance**
 - **Due Date**
 - **Interest Rate**

Reviewing Your Credit Report

- **Know who you are:**
 - annualcreditreport.com
- **Check your credit score:**
 - creditkarma.com
- **UW Credit Union App (members)**

Create Your Debt Repayment Plan

- **Create a spending plan**
 - **Calculate Income and Expenses**
 - **Look for opportunities to decrease expenses or increase income**
 - **Determine amount available for debts**

Create Your Debt Repayment Plan

- Prioritize your debts by choosing an approach
- Two schools of thought:



The diagram consists of two red-outlined circles positioned side-by-side. The left circle contains the text 'Snowball Method' in bold, followed by 'Lowest balance debts first'. The right circle contains the text 'Avalanche Method' in bold, followed by 'Highest interest debts first'.

Snowball Method

Lowest balance
debts first

Avalanche Method

Highest interest
debts first

Pay Down Your Debt

- **Put your plan in writing**
- **Review your goals**
- **Develop a timeline**
- **Continue applying payments toward other accounts once debts are paid off**
- **Send payments to savings when debts are paid**

Avoid Adding to Your Debt

- Follow your spending plan
- Track your spending
- Avoid fees and charges
- Eliminate waste and unnecessary spending
- Consider ways to increase your income

Sticking to Your Plan

- Keep your ultimate goals in mind
- Stay organized
- Don't add new debt
- Develop a strong support network
- Reward yourself
- Reevaluate your plan frequently to ensure relevance

Overcoming Challenges

- Change is a cyclical process
- Positive vs. counter-productive influences
- Communicating your plan with others
- Unexpected expenses

Beyond Debt Repayment

- Convert debt payments to savings deposits
- Emergency savings accounts
- Other financial goals

Resources

- UW Credit Union credit consultations
- GreenPath financial counseling
- Banzai digital learning

Questions?

Thank you for coming today!

If you have any further questions, please contact:

Erin Bykowski

Financial Inclusion &
Education Manager

ebykowski@uwcu.org



uw
credit
union