

Every year, people around the world make financial New Year's resolutions in January and give up on them by Valentine's Day. According to a recent survey, the top three financial resolutions are: 1) Save more, spend less; 2) Pay down debt; and 3) Increase my income. Below are tips to help you actually accomplish those resolutions this year.

Save More, Spend Less

The most critical step to achieving the balance you want between saving and spending is to develop a sustainable budget. That budget is your step-by-step plan for sticking to this resolution. There are two essential pieces of a successful budget: The money you make and the money you spend. Break down all income and all expenses on a monthly basis to get a clear picture of what your personal budget should look like. This will help you optimize your spending and cut back on unnecessary expenses.

A second tool that will help is to use automation for saving. Set up an automatic transfer through your bank that will take a cut of each paycheck and put it into your savings account. It's less likely you'll be tempted to spend what you planned to save if you never see the money in your checking account.

Pay Down Debt

If your resolution is to pay down your debt, tackling all of it at once may seem like an insurmountable task. Break it down into smaller goals, such as monthly or bi-monthly dollar amount targets, in order to make it more manageable. For example, if you have \$1,200 in credit card debt you want to pay off, commit to paying off the minimum payment of the card each month plus \$100. At the end of the year, you'll be debt-free. Achieving the smaller goals can also motivate you to reach the big one.

If you have a lot of debt you're trying to pay off, another tool that may help is consolidation. Certain types of debt can be lumped together into a single account so that you can easily see how much you have left to pay off. Sometimes, you can even improve the interest rate you're paying on the loan. Talk to your banker to find out if consolidation is a good option for your situation.

Increase My Income

Resolving to make more money than last year is a popular goal, and more achievable than some people think. In addition to sitting down and asking your boss for a raise, it's important to consider additional sources of income that you may not be using. Do you have a hobby you could monetize? Painting, writing and even helping people fix their computers are all valuable skills in the freelance market. If not, consider taking on a part-time position on the weekends to bring in additional cash.

No matter what your financial goals for 2017 are, you can rely on your local banker to help you create a plan and find the tools to achieve them.

