

Credit Counselling Society Presents

Cure For the Holiday Money Hangover

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We Help. We Educate. We Give Hope.



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Agenda



- Our feelings about the holidays
- Why we need to move ahead
- Where we want to be
- What about next year?

Objectives



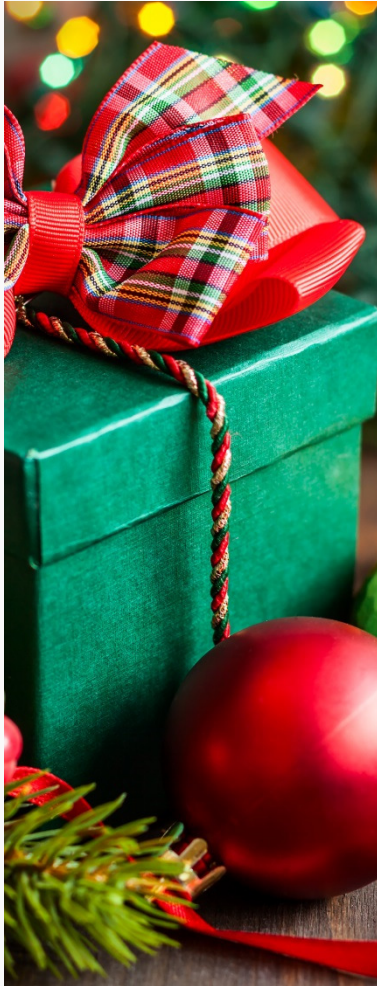
By the end of this session, you will be able to:

- Assess your current financial situation
- Have a plan to address your holiday money hangover
- Not fall back into the holiday trap



How did you feel during
the holidays?

The Holiday Feeling:



- We know that :
 - 69% of people feel stressed about time
 - 69% of people feel stressed about money
 - 51% of people feel stressed by the need to gift (either give or receive)

More than half of us do not enjoy the holidays as much as we could!

The After Holiday Feeling



- We know that :
 - Average income Canadians spend approx. \$1810 during the holidays
 - Affluent Canadians spend more than \$6400 on Christmas

How much of that expenditure follows us into the New Year?

The Plan



- Know what we spent
- What do we owe?
- Repayment goal
- How do I pay it back?
- Prepare for next year

Know What We Spent



- Do you have receipts?
- Are you a committed credit card user?
- Did you buy on debit?
- Do you keep receipts?

If Not :

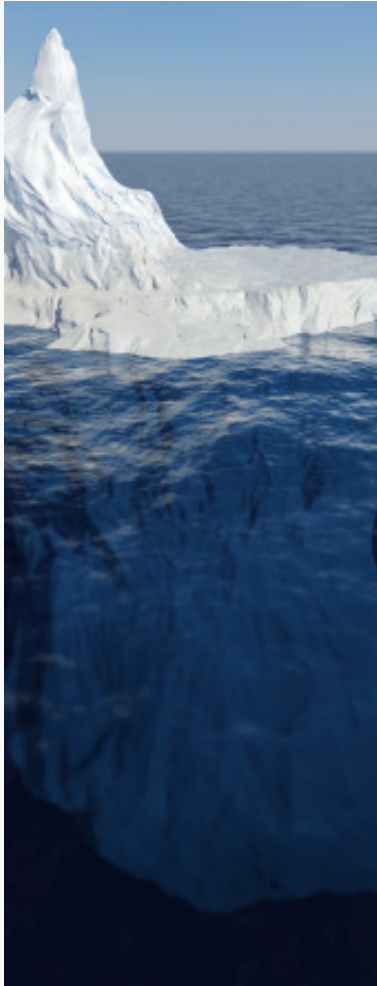
Then list out all the areas where you would have spent money and estimate

Spending Categories



- Gifts
- Decorations
- Entertainment/Party
- Groceries
- Eating out/Ordering in
- Wine, Beer
- Personal Care (Nails, hair, etc)
- Cards/Invitations/Postage/Shipping
- Donations/Charity

What do we owe?



- Credit card statement
- Line of Credit statement
- Bank Statement (Overdraft)

Set a Repayment Goal



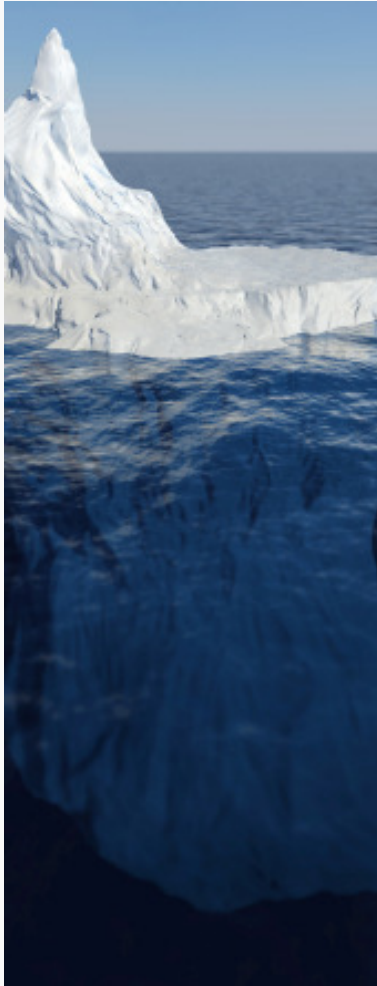
- My goal is _____
- I want to achieve it _____
- The total cost of my goal is \$_____
- I will set aside \$____ / pay to achieve this goal.

Repayment Goal



- My goal is to pay off my Holiday Debt.
- I want to achieve it in 3 months.
- The total cost of my goal is \$1000.
- I will set aside \$167 /bi-monthly to achieve this goal.

How to pay



- Budget hard
 - Make it a point to pay off your holiday debt over a short period of time
- Strategies:
 - Reduce “happy” spending
 - Give up a one-off event
 - **Where else can you cut back?**

Refinance Options



- Consolidate the debt
 - One payment is easier than many
- Request lower interest rates
 - Lower rate = more principal repayment

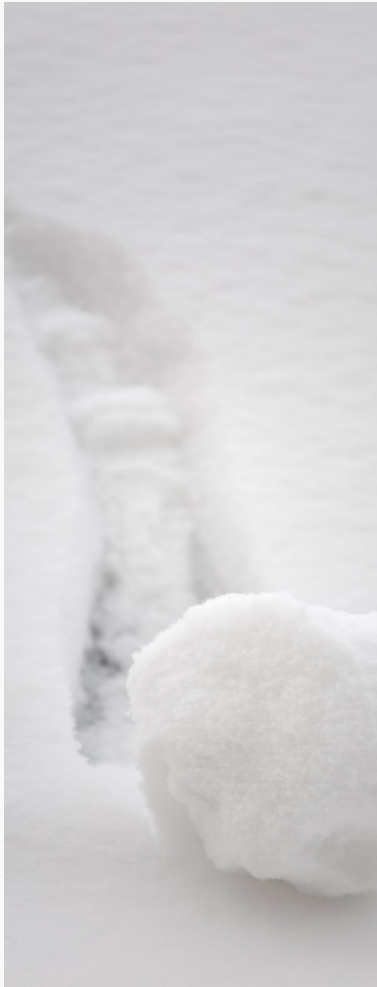
The Avalanche Method



Debt Avalanche

- Pay debts in order of interest rate
 - Start with the highest interest rate
- Focus on paying off *one balance at a time*
 - Make minimum payments on all other debts
- **Pay debts faster and less interest**

The Snowball Method



Debt Snowball

- Pay debts in order of balance
 - Start with the lowest balance
- Focus on paying off *one balance at a time from smallest to largest*
 - Make minimum payments on all other debts
- **Quick satisfaction and motivation**

Lump sums: 40-40-20 Rule



If you get an influx of money, consider putting:

- 40% towards debt
- 40% towards savings
- 20% towards guilt-free fun

When the Debt is Paid



- It is time to save for next year?
- How much do we need to save?
- How to keep it safe?

Holiday Savings Goal



- My goal is to save for the holidays.
- I want to achieve it in 9 months.
- The total cost of my goal is \$3000.
- I will set aside \$167 /bi-monthly to achieve this goal.

Manage our Savings



How can we keep our savings safe from ourselves?

Manage our Savings



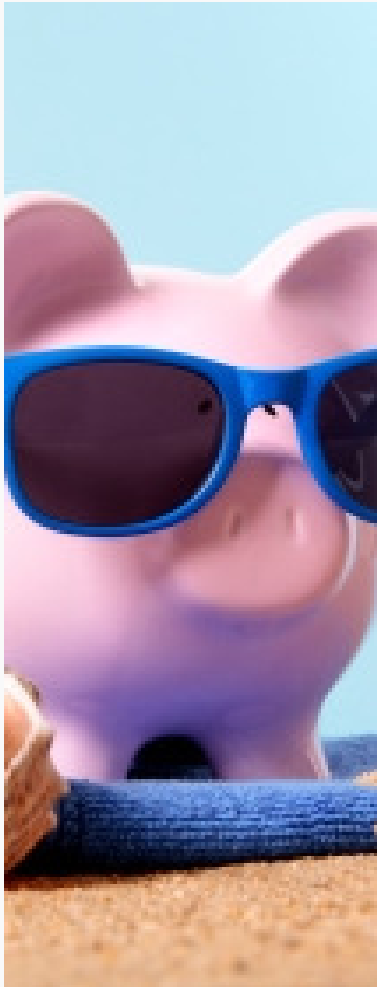
- Some ideas:
 - Remove ATM/debit access to savings
 - Joint account
 - Automatic transfers
 - Go into the branch to withdraw cash
 - Top Up/Round Up Option

Manage our Savings



- Additional ideas:
 - Buy grocery gift cards once a month or save rewards points
 - Donate to annual charities throughout the year
 - Put couch coins, bottle money, laundry pocket change in a jar (saving with no pain)

What Else Can Change



- We know that the majority of people are:
 - Stressed about money!
 - Stressed about what to buy
- Why not give yourself and everyone else a break...?

Talk to your loved ones about alternatives

Gifts & Special Occasions



- Try a gift exchange
- Agree to only give gifts to the kids
- Use AMAZON Prime
- Give (grocery) gift cards to save on postage

Gifts & Special Occasions



- Make something yourself
- Have a special evening at home
- Make your own gift certificates
- Agree to enjoy time together and forgo all gifts

Money Tips



- Don't let stress take away the joy of the holidays
- Make short-term sacrifices to pay down holiday debt
- Open up a holiday account to save up for next year
- Gifts from the heart are priceless
- Free tools and resources available at:
www.mymoneycoach.ca

Conclusion



Now you are able to:

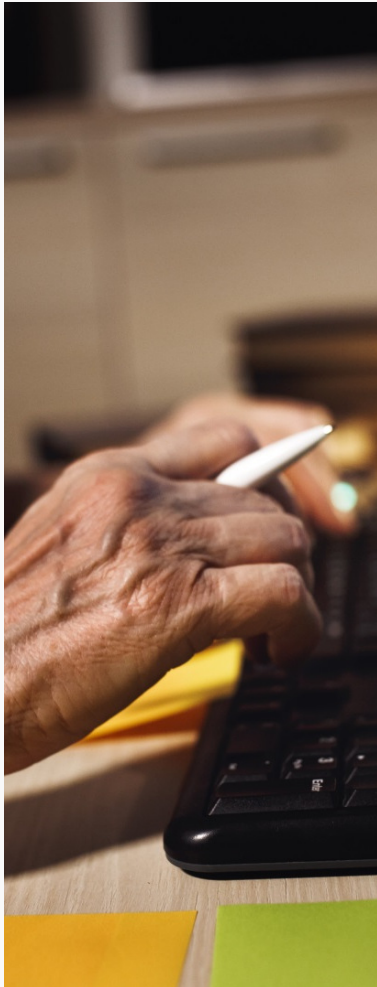
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ADDITIONAL RESOURCES

Some helpful
resources for
you to get
started

Learn More



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 Twitter - @MyMoneyCoach_ca

 Instagram - @MyMoneyCoach

- Sign up for our monthly newsletter
- Check out our social media for daily tips/articles
- Subscribe to our blog
- Follow us on Social Media

How We Help



Book a free financial consultation with
one of our Credit Counsellors

1-888-527-8999

Message us through our online chat

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