

Financial Wellness Tips



50/30/20 Budget Rule

Financial wellness looks different for everyone, but these steps are a great guide to get you started on your journey to improving your financial wellness. To attain financial wellness, it's important to understand personal finance, including budgeting, saving, credit, etc. Tracking your expenses and being aware of your spending habits is the first step to improving your Financial Wellness. Our mobile app can help you visualize daily spending, allowing for better financial decisions.

Create both short-term and long-term spending goals, such as paying off credit card debt, purchasing a new car or going on a relaxing vacation. Having specific goals in mind can help you stay motivated! After defining your goals, you can establish an emergency fund. By creating an emergency fund account and setting up automated transfers, you can easily transfer a fixed amount out of your paycheck.

When creating a budget it is good to keep in mind the 50/30/20 Budgeting Rule. This rule recommends putting 50% of your money towards Needs, 30% of your money towards Wants, and 20% of your money towards Savings. Your budget can be designed to fit your unique financial needs. The 50/30/20 Budgeting Rule is a great guideline to follow when creating your unique budget. See below a list of examples:

Needs: Housing, bills, groceries, transportation, utilities, insurance, etc.

Wants: Vacations, restaurants, concerts, movies, entertainment, shopping, monthly subscriptions, etc.

Savings: Cash savings, emergency funds, retirement, investments, and other savings goals

Understanding your credit is another step you can take to achieve financial wellness. Many factors that go into your credit but building your credit is the first step. You can do this by opening a credit card, such as our Premium Rewards Credit Card, and maintaining a responsible and healthy credit relationship with your cards.

Your credit score is an important factor in improving your financial wellness. A credit score ranges from 300 to 850. The higher your score, the better your creditworthiness. Your creditworthiness will be important when you obtain a credit card, finance a car or when you take out a loan for big purchases. You can easily monitor your credit score using Credit Sense found in your mobile app. It is also important to keep an eye on your cards and monitor them against fraudulent or suspicious activity.

We are here to support you in your financial journey. That's why we offer products and services designed to help you achieve your unique goals. Talk to your local MEP today. We look forward to accomplishing your goals – together!

