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## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### BACK-TO-BASICS FINANCIAL FUNDAMENTALS

**Boise, Idaho...** In conjunction with the back-to-school season, the Department of Finance wishes to remind consumers of the benefits of a “back-to-basics” approach to their personal finances. Budgeting, saving, building credit, and retirement planning remain key ingredients in achieving and maintaining financial stability. As cost-of-living expenses increase and economic conditions fluctuate, consider creating a financial plan that includes the following components.

**Create a budget and schedule time to review it regularly.** Create an updated budget and stick to it. Review your accounts and monitor all money coming in and all money going out. Tracking expenditures consistently may identify unnecessary spending patterns, which if eliminated can be repurposed into your budget. Allocate income to fixed costs first, financial goals second, and then flexible spending. Prioritize paying off debt, focusing on paying down the accounts with the highest interest rates first. When tempted to use credit, remember you are not paying for that purchase, but accumulating debt you’ll have to deal with later.

**Automate Saving.** Increase your personal wealth by paying yourself first. Make saving automatic by having a certain percentage of your paycheck deposited into a savings account. Gradually increase the contribution amount in regular, periodic intervals. Maintain motivation by assigning a purpose to your savings such as a down-payment on a home, an investment fund, or an emergency fund - commonly six months of living expenses. To review a list of state-chartered Banks and Credit Unions, visit the Department website [www.finance.idaho.gov/](http://www.finance.idaho.gov/).

**Get credit for your credit.** A credit score can cost you or save you thousands of dollars in interest over time, so review it regularly. Make on-time payments to avoid past-due remarks, watch for any errors or unrecognized accounts, and promptly dispute discrepancies with the credit reporting agencies. Visit <https://www.annualcreditreport.com/> for information about how to obtain free copies of your credit report.

**Save and invest your money for retirement.** Now is always the right time to plan for retirement. Take advantage of employer-sponsored plans and company matches. When investing, be sure to understand your risk tolerance. If you choose to seek guidance from a financial professional, ensure they are properly licensed by visiting <https://brokercheck.finra.org> or <https://adviserinfo.sec.gov/> or by contacting the Department.

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*Department of Finance press releases can be found on the Internet at <http://finance.idaho.gov> or by contacting the department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378*