00:00:04:23 - 00:00:30:12

Speaker 1

Hello everyone, and welcome back to the final episode of the year of the Share the Wealth podcast, where we empower women to take control of their financial future. I'm your co-host, Leyah Dauber, and whether you're looking to build wealth, manage your debt or simply gain confidence in your financial decisions, we're here to give you valuable insights and practical tips to help you achieve your goals. Let's finish this year strong as we embark on this journey towards financial independence and success together.

00:00:30:12 - 00:00:57:26

Speaker 2

But before we get started, let me read our disclaimer. This podcast is being recorded on December 11th of 2024. The contents of this podcast are strictly for informational purposes only, and nothing said should be taken as investment, tax or legal advice. It is important to discuss your situation with a professional, as the strategies discussed today may not be suitable for you specifically.

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Speaker 1

The holiday season can be a time of joy and celebration, but it can also bring a lot of financial stress. Today, we'll share tips and strategies to help you stay on track and enjoy the season without having to break the bank. Lyndsey, do you have any advice for what maybe we should be looking into first on how to follow through with these, tips and strategies for the holiday season?

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Speaker 2

Yeah, Leyah. First, we want to set a holiday budget. This is where you'll want to decide how much you can afford on spending without dipping into emergency savings, credit cards or any other amount of money that maybe shouldn't be coming out of your pocket. So, for example, today let's set a total budget for Christmas of $1,000. What do you think makes up that $1,000 Leyah?

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Speaker 1

Yeah, so let's break down that budget a little bit more. You're going to want to allocate this thousand dollars across a different couple of categories. First of all, the one that we think about a lot would be gifts. This is maybe for your family, friends, coworkers and anyone else you can think of that you're willing to give them a gift for the holidays.

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Speaker 1

So for this example, we're going to put $500 towards that gift portion of the category. Another category that you would want to allocate to is decorations. Everybody loves buying their Christmas trees. But you know they can be a little bit more expensive. We want to make sure that we're keeping that within the budget. You'll also look at using your ornaments, purchasing your lights and anything else that you have for decorations. For the example for this.

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Speaker 1

We'll keep that $100. There's also the cost that comes with food and entertaining around the holidays. This can get quite expensive really quickly. So preparing for those special meals and hosting those parties. Also offering events where you have your friends and family bring dishes can help offset some of these cost. For this category, we're going to allocate $200 towards that.

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Speaker 1

You'll also want to look into putting some money aside, in case there's any travel costs that you might have to endure during the holiday season. This could be transportation, accommodations, and any other related costs. For this example, we'll put $150 towards that.

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Speaker 2

Yeah, Leyah I think that's all super great. It's just very important to know that, whether it's $1000 or $5000 that each of the categories can change depending on where you are at in your life, whether you're younger and saving more, or whether you're older and starting to gift money or spend a little more during the holidays. It can really vary based off of age.

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Speaker 1

Yeah, I think that's a great point, Lyndsey. And like you just said, things are going to vary all the time. So also planning for those miscellaneous expenses that are going to come up throughout the holidays. You know, maybe you have an organization that's dear to your heart and you want to give them some charitable donations during the holidays.

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Speaker 1

You'll want to plan for that in your budget as well. You also want to plan for the little minor things you don't think of, like you're wrapping supplies for your gifts. Or maybe you're purchasing cards to send out to your family members. And there's also those unexpected expenses that will arise. So you'll want to make sure that you're budgeting for that, too.

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Speaker 1

So that'll make up $50 of the overall $1,000 budget. So with all those categories, we've broken it out into an example of what you can choose to put aside in order to complete your holiday budget this year.

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Speaker 1

So with our example that we just went over, we're allocating $500 towards the gifts for our family or friends, coworkers and anyone else that we can think of. Is there any tips that you have on how we can really keep this to that $500 minimum?

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Speaker 2

Yeah, you'll want to first make a gift list and write down everyone. Like you said, coworkers, family in that list that you plan on buying gifts for and then assign to spending limit for each person. Make sure you stick to the allocated amount for each gift. It's super important.

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Speaker 1

And all while going through this, you're going to want to make sure that you're tracking your spending throughout the whole time. Some people like to use budgeting apps. Those develop their own spreadsheets or maybe even just writing. Every purchase down in a notebook is very helpful. You want to regularly compare what you've spent to your budget, and make sure you're staying on top of this to meet your financial goals during the holiday season.

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Speaker 2

When it comes to that, you also want to cut costs wherever is possible, whether that's a DIY gift, considering group gifts or experiences instead of monetary gifts, or look for sales coupons and promotional codes.

00:05:01:04 - 00:05:15:28

Speaker 1

Yeah, and it's always not too early to start planning for next year. So starting to save for those holiday expenses can start early as beginning next month. So that's something that you want to take a look into. Maybe you'll see how much you spent in total for this holiday season. You'll want to plan that out yearly for next year.

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Speaker 1

You want to contribute a little bit each month and put that aside to ease the pressure for when holiday season does come around. You're not paying a lump sum out of pocket. You'll want to make sure that you keep track of what worked well this year and what didn't, and then that'll help you plan better for next year.

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Speaker 2

As we move on to another topic of maximizing your holiday bonus, sometimes some companies elect to give you a little more during this time. So, Leyah, are there any tips or ways to use the extra income with the bonus?

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Speaker 1

Yeah, that's a really great question. If your company is giving you that extra bonus, the first thing that you'll want to look at is building up that emergency fund. Maybe. Unfortunately, this year you didn't plan for the holidays and you dipped into that emergency fund, and now it's a little bit more depleted than you'd like it to be. Yeah. So rebuilding that up, you want to aim to have between 3 and 6 months of living expenses in that emergency fund. So using your holiday bonus might be a great way to rebuild that up.

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Speaker 2

Yeah. The next thing you could use is paying off any high interest debt. This could be student loans, a mortgage, or even maybe a car loan. I know student loans. That is what normally comes first. You want to get out of that debt when it comes to your mortgage. If you have a little bit left and the interest rate is higher, 6% or more, it might be a good idea to pay that off immediately. However, if you have, you know, 50 grand left on your mortgage and your interest rates lower, from refinancing the past couple of years and the 3%, it might make sense to just keep paying that while earning more in other categories.

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Speaker 1

Yeah, I think that's a great point. It's a good segue into our next, tip for you as well, which would be to contribute that money that you have as an extra into a tax advantaged retirement account.

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Speaker 1

So if you don't already have established opening up a Roth IRA is a great option, or just contributing the max that you can for this year, you'll want to look into those limits and make sure that you're able to make those contributions, as there are certain requirements needed there. But this is a great option for you using that holiday bonus.

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Speaker 2

Yeah, I agree Leyah. Even just investing it and discussing, you know, the basic investment strategies and speaking with a financial advisor is always great during this time of the year.

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Speaker 1

Yeah. You'll want to make sure that you're also looking towards saving for the short term goals that you have. So if you don't have that in your emergency fund is built up in your mind to get ahead looking towards those short term goals that you might have coming up, such as planning for a family or maybe you need to buy a new vehicle, or you're looking to purchase your first home.

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Speaker 1

These are all great options to put that money aside and use it towards the goal that you have coming up in the future.

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Speaker 2

And lastly, there's always donating. And giving back can be very rewarding and impactful during this time of the year, especially when it comes to charitable giving. Are there any charitable giving ideas that comes to your mind Leyah?

00:07:54:21 - 00:08:15:19

Speaker 1

Yeah, I know personally I love to donate to your local SPCA, anything working with animals. I'm an avid animal lover, so I always try to budget a little bit each year and donate that way and give back. They also, you know, we'll take supplies and things. If you don't have monetary donations, you know, donating maybe old towels or something to the local SPCA is what I favorably do.

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Speaker 1

So as we navigate throughout the holiday season, it's really important to remember that financial empowerment is all about making the choices that aligns with your values and your goals. By setting a budget and being mindful of overspending and making thoughtful financial decisions, we can enjoy the holidays without the stress of overspending.

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Speaker 2

For women, it's about taking control of our finances, saving money, and fostering independence for your own financial security. It's about showing ourselves and our loved ones that we too can celebrate the season with joy without any financial regrets.

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Speaker 1

Remember, the best gifts are not always the most expensive ones. They're the ones given with the love and the thoughtfulness. As we wrap up today's episode, I encourage you to take these tips to heart and make this holiday season a time of meaningful giving and smart financial decisions.

00:09:04:18 - 00:09:31:24

Speaker 2

Thank you for joining in on this journey. I hope you found today's episode to be insightful and useful. We want to wish our followers a wonderful holiday season, and we'll hopefully see you next year. And remember, the best way to spend the holiday cheer is to save money wisely all year. Here's to making empowered financial choices and enjoying the stress free holiday season.

00:09:31:27 - 00:09:33:02

Speaker 1

And as always…

00:09:33:02 - 00:09:35:26

Speaker 1 & Speaker 2

don't forget… Share the Wealth!

Speaker 1: Leyah Dauber

Speaker 2: Lyndsey Payne, MBA