



NEW HORIZONS CREDIT UNION

Solutions for the Real World®

Financial Red & Green Flags: What to Look for in Your Money Habits

February is a great time to check in on your finances and see how your money habits are shaping up. Not sure where you stand? Watching for financial red flags and green flags can help you identify areas that may need attention—and celebrate the habits you're getting right.



Red Flags

Your debt feels out of control.

Life happens, and debt can build up faster than expected. When it starts to feel overwhelming, it can be difficult to know where to begin.

Our partners at GreenPath Financial Wellness offer free financial literacy resources and one-on-one financial counseling to help you create a realistic plan to regain control of your debt.

Impulse spending is taking over.

With new products constantly hitting the market, impulse spending is easier than ever. One helpful strategy is to pause for 24 hours before clicking "purchase" or "checkout." Even with "fun money," it's important to prioritize spending, look for sales, and set limits. Treating yourself is okay—just be mindful not to overdo it.

You don't have a safety net.

An emergency fund is essential for life's unexpected moments—whether it's car repairs, medical bills, housing costs, pet expenses, or severe weather. Having savings set aside can help prevent emergencies from turning into long-term debt.



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Green Flags

You have clear financial goals.

Every successful journey starts with a plan. Clear goals give your budget direction and help you stay motivated. As life changes, your goals will evolve too—and that's okay. Revisit them regularly to be sure they still align with your needs.

You're living within your means.

Sticking to a budget and spending plan is no small accomplishment. By keeping impulse purchases in check and avoiding overspending, you're setting yourself up for long-term financial stability. Well done!

You're actively managing your debt.

Including debt repayment in your monthly budget is a major green flag. Managing debt isn't just about improving your credit score—it's about creating financial freedom. Paying down debt can make your finances feel more manageable and allow you to enjoy your money with less stress.

HIGHLIGHTS

- **You have resources to manage debt through NewHCU's partnership with GreenPath Financial Wellness.**
- **Try the 24-hour Rule to combat impulse purchases - wait 24-hours before making a purchase.**
- **Emergency Funds help avoid taking on more debt when unexpected expenses hit.**
- **You don't have to fix everything at once! Small steps towards healthier financial habits really do add up!**