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Free Online Budget Tool

Advantage Credit Counseling Service, Inc. has counseled thousands of consumers over the past 40 years. We find most consumers struggle with budgeting. This is why the Agency developed a free, online budgeting tool that will benefit all consumers, whether or not they are struggling financially. This free tool can be found at www.onlinebudgetadvisor.com.

Online Budget Advisor takes the guess work out of budgeting. It provides you with a comprehensive format to follow that allows you to easily input your budget information. Getting started is easy. Simply go to the website and complete the registration process.

Once your budget information is inputted, the system develops a customized action plan. It uses your information to make specific money management suggestions and provides information on resources that might be available to you. For example, based on your inputted income, you may qualify for utility assistance. The action plan details the assistance programs and provides links to help you learn more about what is available.

After you review the action plan, you have the opportunity to use some of the education received and create a different budget scenario. The proposed budget feature allows you to create “what if” scenarios that help you figure out the best way to balance your budget. Your proposed budget can be modified as many times as you wish.

Tips

It's hard to believe, but the holidays are just around the corner. Here are some tips to stay on track with your budget this holiday season:

- Don't go shopping without a list – determine everyone you're shopping for, how much you want to spend and some possible gift ideas
- Take advantage of free layaway programs while you can – however, most retailers begin charging a fee for layaway after Thanksgiving
- Try not to wait until the last minute – the more time you give yourself to shop, the less likely you will be to make impulse purchases that don't fit your budget
- Consider gifts other than material items – maybe make a donation to your favorite charity in honor of your friends and family or give them your time by helping them with a chore they dislike doing



Q: I recently checked my credit report and found several errors. How can I have the errors corrected?

A: Bravo to you for checking your credit report. It's important all consumers check their credit report once a year (www.annualcreditreport.com). Under the Fair Credit Reporting Act, the credit bureau and the information provider (the creditor) are required to investigate and correct all inaccurate information on your credit report.

First, you must contact the credit bureau in writing describing what information is incorrect and submit copies of documents that support your position. Do not send original documents. Keep those for your records. You may also want to include a copy of your credit report with the inaccurate information highlighted.

When you send the letter, it's a good idea to send it certified mail, with return receipt requested. The bureau should respond within 30 days to your letter. In addition, the bureau must forward the included documentation to the creditor in question so it may investigate the information and report back to the credit bureau.

Once the investigation is complete, you will be notified, in writing, by the credit bureau. If the item in dispute is found to be inaccurate, you will also receive a copy of the corrected report. In addition, the credit bureau must send the corrected report to anyone who has received your credit report in the past six months.

Energy Savings for Your Home

With winter fast approaching and lower temperatures here, it's time to think about using energy efficiently in the winter months. According to the U.S. Department of Energy, more than half of the energy used in a home goes to heating or cooling it. There are some ways to reduce energy costs and increase savings.

First, some easy things: install a programmable thermostat that allows you to adjust the temperature appropriately when you're not home. The U.S. Department of Energy recommends setting your thermostat at 68 degrees in the winter and 78 degrees in the summer and then (depending on the season) lowering it or raising it while you're sleeping or not home. For each degree you lower or raise the temperature for an eight hour time period, you can save 1% on your utility bills. You also should check the air filter on your furnace and/or air conditioner. Replacing the filter as recommended will help the unit run more efficiently. Consider using a budget plan, offered through your utility company, to pay your bills. This will spread out the cost over the year, instead of paying the seasonal spikes. Check the temperature of your hot water heater. Lower it to 120 degrees to reduce energy costs. Also, try low-flow shower heads for more energy savings.

Check your home for drafts. Caulk windows and door frames to make sure they are air tight. Make sure your home, including your attic, is well insulated.

You can make other changes to reduce your energy costs. Consider getting rid of that basement refrigerator. Removing the extra fridge can save \$50 to \$150 a year in utility bills. In addition, replacing an old refrigerator can reduce energy

costs. New refrigerators with the energy star rating are 20 to 40% more efficient than refrigerators purchased in 2001. Check with your utility company to see if they are offering a rebate for removal of an old refrigerator. If you're shopping for a new refrigerator, consider one with a top mount freezer instead of side-by-side model. It will likely use 20 to 25% less energy.

Replacing light bulbs is another way to save energy. According to the U.S. Department of Energy, CFL bulbs last approximately ten times longer than traditional incandescent bulbs and use about one-fourth of the energy. While they are more expensive, they last for about 10,000 hours compared to 1,000 hours for older style light bulbs. Newer to the market are LED bulbs. LED bulbs with the Department of Energy's Energy Star rating use about 20 to 25% less energy than traditional bulbs. Replacing 15 incandescent bulbs in your home with light bulbs that have the energy star rating may save \$50 a year in energy costs.

Only washing full loads of clothes in cold water will also help save energy. When you're drying clothes, dry heavier clothes and towels together and do things made of lighter weight material together to reduce drying time. In addition, consider using the cool down cycle on the dryer to allow clothes to finish drying with the heat remaining in the dryer. Try to air dry clothes whenever possible.

It's also good to do some research before switching appliances or making changes to your home heating or cooling system. The website, www.energysavers.gov may provide some helpful information on increasing energy efficiency in your home.

Resources

www.onlinebudgetadvisor.com

www.annualcreditreport.com

www.energysavers.gov

www.consumersenergy.com

www.advantageccs.org

The Advantage Challenge

Advantage CCS challenges you to ... use the free Online Budget Advisor tool. Go to the website at www.onlinebudgetadvisor.com, register and begin inputting your budget information. Don't worry if you can't do it in one sitting. You can log in and out. Let us know what changes you make as a result of using the system and some things you learned about your budget. Email feedback to hmurray@advantageccs.org.

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