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Thanksgiving Dinner on a Budget

Last year, the average cost for Thanksgiving dinner for ten people was about \$50.00, a \$.70 increase from 2014. The Farm Bureau blamed the jump on an outbreak of bird flu, driving up the cost of turkeys. For most of us, the cost exceeds \$50.00 by the time you buy the turkey and the trimmings... plus special ingredients you may need...plus beverages for your guests... plus dessert.

One of the easiest ways to reduce your cost for the Thanksgiving meal is by asking guests to bring something. Maybe the turkey and stuffing are the only part of the dinner you can fit into your budget this year. There's no problem asking each of your guests to bring a traditional side dish or something they like to make.

Scan the sale ads in advance of Thanksgiving to make sure you're getting the best prices on ingredients. Comparison shop. Look at discount grocery stores for cost savings and consider purchasing off brand items instead of name brand products.

Avoid using convenience foods for your meals. Do the chopping and the dicing on your own to save some extra money. Don't purchase side dishes that may come out of a box. Cooking for a crowd from scratch will always be less expensive.

Evaluate your kitchen supplies. If you need some new serving dishes or utensils, shop second hand stores for items that are most likely brand new. Keep holiday centerpieces and décor at a minimum. Save some leftover Halloween pumpkins you can repurpose as Thanksgiving decorations.

Tips

With the holiday shopping season right around the corner, we can all use some extra money in our monthly budgets. Here are some tips on ways to reduce spending and free up some money for the upcoming holiday season.

- Take an inventory of unwanted or unused items around your house. Anything in good or decent condition, clean up and put up for sale on online sites like Ebay or Letgo. Consider holding a garage sale to bring in some extra money to help with holiday spending.
- Cut back on eating out. Consider your eating out habits. If you're eating out once a week as a family, you're most likely spending at least \$50. Over the course of a month, you could save \$200.
- Review the automatic deductions that come out of your checking account. Are there any clubs or memberships that you no longer use, but you're still paying for monthly? Cutting back can increase the money available in your monthly budget.



Q: I keep hearing about ordering my credit report from the three major credit bureaus. Won't that lower my credit score?

A: While having too many credit inquiries can indeed lower your credit score, ordering your own credit report has no bearing on your credit score at all. In fact, that is one inquiry you want to make on a regular basis. Order your free credit report at www.annualcreditreport.com from each of the three major credit bureaus, Experian, TransUnion and Equifax. This report will not include the score. If you want your credit score you will have to purchase it for a fee ranging from \$7.95 to \$15.95.

Every time you apply for credit it goes on your credit report as an inquiry. Are too many inquiries bad for you? That depends on the type of inquiry. If you are looking for a mortgage, car loan or a student loan, you have a 30-day period to shop around. Multiple inquiries in these three areas will only count as one inquiry in each category if they are made within the 30-day time frame. If you apply for several credit cards or miscellaneous loans in a short period of time, yes these inquiries will lower your score.

There are also two types of "credit pulls." Hard credit pulls are when you actually complete credit applications. These will count in your score. Soft credit pulls are the pre-approved offers you receive in the mail, insurance and employment inquiries or when you apply for car insurance. For a complete understanding of your credit report, call 888-511-2227 to schedule a Credit Report Review session.

Creating your Holiday Budget

Now that it is November, most consumers are turning their attention to the holiday shopping season. However, before you start shopping, it's important to develop a plan of attack that will help keep you from paying for this year's gifts, next year.

Hopefully, you have been saving throughout the year just for this occasion. Evaluate what you have saved to this point. If you have done well, the next step is figuring out your budget for your holiday expenses. If your savings still needs some work, develop a savings strategy for the next six weeks. Analyze your monthly budget and see if there's anything you can cut back on to put towards your holiday spending. Try a moratorium on grocery shopping and cook with what's in your pantry or freezer. Stop eating out. Consider taking on a seasonal job to help fund your holiday expenses.

When preparing for holiday shopping, it's important to consider what you can afford to spend. Consumers are expected to spend approximately \$656 billion dollars this year. Be realistic with your gift giving. Determine the amount that you want to spend by evaluating what you have saved or what you project you'll be able to save by the time you're ready to shop. Whatever the amount is commit to making it work, even if it means getting creative with your gift giving.

Depending on how much you have saved and how much you want to spend, you may need to edit your list or revise your expectations for what you plan to buy. There are ways to still provide nice holiday gifts and stay on budget. For any children you have on your list consider using this method – something to play with, something to wear and something to read. Look at what your children play with or use now and let that shape your shopping for them.

Often times, extended family are

also part of your holiday shopping plan and sometimes, this can put a strain on your budget. If your list of family is growing consider putting some restrictions in place. For example, talk to the adults and see if everyone can agree to just buying for the children of the family. You can also do a grab bag where each family member is responsible for buying one gift. Set a price limit on the gift. Instead of doing a traditional gift exchange, do a white elephant exchange, where you exchange unwanted belongings, usually the more outrageous the gift, the better.

There are some alternatives to gift giving. Any homemade treat is usually a welcomed gift. Maybe you're trying to save time and money this year. Stock up on \$5.00 gift cards and deliver those to some of the extra people you have on your list (neighbors, service providers or hostess gifts). You can also eliminate gift giving all together and make a donation to your favorite charity or a cause that's important to you in the name of all of your family and friends.

Also, consider when you'll be exchanging holiday gifts. If you'll be seeing some family and friends after the holidays, check out the after Christmas sales where you may find the perfect gift at a fraction of the original cost.

When evaluating your holiday budget, be sure to include the extra expenses that are not gifts. Take into account any baking, cooking or hosting you will do this year. Also consider any new clothing purchases you may make or family pictures or holiday cards. Take stock of any supplies you'll need for next year and scoop them up at after Christmas sales. Start tracking expenses November 1 through the end of the year. Evaluate what you spent and come January, develop an action plan to save at least that amount next year. Try the Agency's online budget advisor tool to help plan your budget for 2017.

Resources

www.annualcreditreport.com

www.ftc.gov

www.advantageccs.org

www.onlinebudgetadvisor.com

The Advantage Challenge

Advantage CCS challenges you to...set your holiday budget and stick to it. Resolve to spend only with cash and avoid using credit cards. Make your list, plan ahead and make adjustments as needed. Decide if there's anyone you need to remove from your list to save money or look for creative and low cost gift ideas. Let us know what you come up with your holiday shopping. Email your results and tips to hmurray@advantageccs.org.



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