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Preparing Your Home for Winter

The calendar still says summer, but with crisp fall air making an appearance now and then, we know winter isn't far behind. It's important to take advantage of the decent weather in September and make some preparations so your home is ready when winter strikes.

According to the U.S. Department of Energy, making your home more energy efficient can save you 25% annually on your gas and electric. There are some specific steps you can take to prepare your home for winter that will help keep cold air out and warm air in.

Now is a good time to schedule a check of your furnace. It may cost \$80-\$100, but typically your air filter will be replaced, which improves efficiency and you'll know your furnace is in good working order before winter begins. You might be able to identify any potential problems that would result in an emergency repair in the dead of winter.

It's also important to take care of some tasks that are difficult to do in the winter months. Clean out the gutters on your home (although, consider waiting a couple weeks until the leaves have fallen). Ice dams can form in clogged gutters which can result in water seeping into your home. Also, check your home for air leaks and caulk any that you find.

If you have ceiling fans, reverse the direction to push heated air down, since hot air rises. Also, turn off outdoor water faucets to keep them from freezing. Develop a home winterizing check list to work off of every fall. Aim to complete it by the end of October, so when winter comes you can stay inside nice and warm.

Tips

Eating out can account for a large part of a family's monthly expenses. Reducing this cost is a good way to save extra money each month.

Here are some ways to eat out less and save more:

- Plan your meals ahead. Most meals eaten out are because of a lack of meal planning. Instead of figuring out what to cook, it's easier on a hectic night to get take out or stop for dinner somewhere. Use some of your weekend to plan out meals and shop for ingredients.
- Prep some meals in advance. Make a double batch of sauce that you just need to pull from the freezer or freeze some casseroles that you can reheat.
- Have a go to meal you can easily make. Search through recipes and find something that's easy and quick. Keep the ingredients on hand, so it's something to prepare on short notice.
- Instead of meeting friends or family for dinner, host a potluck dinner. Pick a theme for the night or assign each guest a course to take care of. Hosting friends and family at home will be cheaper than socializing outside of the home.



Q: Is it smart to co-sign on a credit card for my college daughter?

A: Honestly, it depends on the maturity of your daughter. There has to be an understanding that the credit card is for emergencies and a new pair of shoes or dinner out with friends does not constitute an emergency. However, co-signing a credit card will help her start to build a good history for herself.

Under the CARD Act, anyone 21 or younger needs a co-signer on a credit card. It's difficult for someone under 21 to obtain a credit card on their own, unless they demonstrate sufficient income. There is benefit to co-signing on a credit card, instead of listing her as an authorized signer.

The length of your credit history accounts for 15% of your credit score, so helping to build a positive credit history with a credit card may help your daughter after she graduates from college. You can also use the credit card to educate her on the responsible use of credit. Stress the importance of paying the bill on time, which accounts for 35% of your credit score.

It's also good to send your daughter off to college with an explanation of budgeting. If you need budgeting assistance, the Agency's Budget Builder tool at www.onlinebudgetadvisor.com is a good way to walk through step-by-step, how to set up a budget. Assist your daughter in figuring out how much money she will need each month for expenses and come up with a plan to meet her needs...a plan that doesn't include charging up a credit card.

Setting Financial Goals

Throughout different aspects of our lives, goal setting can play an important role in motivating us towards self improvement. Often times, we'll set goals to lose weight, get a new job, or obtain a promotion. Setting financial goals is just as important. Financial goals can help us achieve financial security.

Setting goals requires us to specifically think about what we want to achieve and the steps it will take to achieve it. You want your goal to be a "star." Specific, Time frame, Action, Realistic. Clearly define what your goal is, how long it will take to achieve, the actions required to achieve it and if it's realistic and achievable.

When setting financial goals, it's important to consider both long term and short term goals. Most of us have the ultimate long term goal of financial security, but it may take several sets of long term and short term goals to achieve it.

There are many possible financial goals and it depends on where you are on your financial journey. If you're carrying unsecured debt, a first financial goal should be to pay off the unsecured debt. Decide how you are going to do that. First determine your total debt. Evaluate the interest rates on your credit cards and the amount of your minimum payments. Consider how long it will take you to pay off the debt. Next, it's important to consider your budget. How much extra money each month can you afford to put towards your credit card debt? Consider using the Agency's Online Budget Advisor to help you figure out your budget and determine how to cut expenses. Once you have a handle on your budget, determine how you will pay off your debt. It may be paying the minimum payments on your lower interest cards and putting additional money towards your card with the highest interest rate. Or you may consider paying off a card with the lowest balance to accomplish something quickly and motivate you

to tackle the rest. Finally, you want to determine if this is a realistic goal to accomplish on your own. Maybe the assistance of a debt management services provider, like Advantage CCS is necessary.

Another important financial goal to achieve is an emergency savings fund. It's important to have an account to fall back on when unexpected events take a financial toll. An emergency savings fund is typically three-to-six months of living expenses, which can be a large amount of money. It may be overwhelming. It's still important though to have an emergency savings fund. Start small and be specific. Your goal could be, save an amount equal to one month's rent or mortgage payment. Establish your time frame and determine how much you can save monthly or weekly to achieve this goal. Make sure your savings amount is realistic and something you can maintain.

Another potential financial goal is planning for retirement. Consider how much you're saving now, if anything, towards retirement and determine how you can increase it. Also, examine other debts you're paying and develop a plan to pay them off at a faster rate. Financial goals can also be learning how to invest in the stock market, joining an investment club or saving for the holidays or a vacation.

When setting financial goals, it's also important to put your goals and your action steps in writing. Write out your plan, what you hope to achieve, and what that achievement will mean to you. If possible, summarize financial goals on an index card and laminate it. Carry it with you in your wallet or purse to remind yourself of what you're trying to achieve when the impulse to spend hits.

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Resources

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The Advantage Challenge

Advantage CCS challenges you to...not eat out during the month of September. Make a commitment to cook and eat every meal at home or with food from home. Review your August bank statement and see how much you spent on dining out and realize that's how much you will save by eating in. Plan your meals ahead and prepare some extra meals for when your night or day doesn't go as planned. Let us know how you do, how much you saved and what you cooked. Email results to hmurray@advantageccs.org.

Advantage

2403 Sidney St., Suite 400

Pittsburgh, PA 15203

(888) 511-2227

www.advantageccs.org

