



COMMON CENTS

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Winter



Keeping Away the Financial Grinch

The holidays are fast approaching and soon we will be indulging in season rituals: decorating hearth and home, baking treats, singing carols and sharing valuable time with family and friends. Then there's the most popular holiday activity of them allSHOPPING! It's easy to get caught up in the holiday spirit and buy, buy, buy. But it's the Grinch who appears after January 1st when you are facing a stack of bills you can't pay. Credit Counselling suggests that the best way to avoid the financial Grinch is to shop carefully and stick to a spending plan. Remember the following tips:

GET A PLAN. *You should develop a workable holiday budget. Make a list of all holiday related expenses. Add up the total and compare it with what you have available to spend. If it's more than you afford, look for areas to trim expenses.*

EVALUATE YOUR GIFT LIST. *Try to limit your list to family and perhaps close friends. Keep in mind that some of the most thoughtful gifts cost next to nothing. For instance, give time or services such as babysitting or create crafts.*

SHOP SMARTER NOT HARDER. *Never shop in a rush or under pressure because it can lead to overspending. With extra time you can comparison shop and shop for the best deal.*

USE CREDIT WISELY. *Plan to use ca\$h. If you have to use credit limit your purchases to one card. Use the card with the lowest interest rate. Keep track of all the credit purchases. Don't charge more than you can afford.*

TEN WAYS TO PROTECT YOUR CREDIT CARDS

1. Never leave your cards unattended, especially at work. Statistically, there are more thefts in the workplace than anywhere else.
2. Protect your Personal Identification Number (PIN) or your security code.
3. Never leave your credit cards unattended in your vehicle.
4. Always check your card when it is returned to you after a purchase to ensure it is yours.
5. When travelling, always carry your card with you or make sure it is in a secured location.
6. Report lost or stolen cards immediately.
7. Sign the back of any new card immediately.
8. Keep a list of your card numbers; it will be helpful if you need to report them lost or stolen.
9. Always verify the purchases on your monthly statements.
10. Never give out a card number over the phone unless it is a reputable company.

For more info, go to www.cba.ca

8 COOL TIPS FOR HOT WINTER ENERGY SAVINGS!

Winter energy expenses can be costly; it pays to be energy wise!

- (1) Enter and exit your home quickly to avoid unnecessary heat loss.
- (2) Close drapes and blinds at night to retain heat because they act as extra insulation.
- (3) Keep your bathroom and kitchen fan usage to a minimum.
- (4) Lower your thermostat a degree or two and wear an extra sweater or blanket when you are chilled.
- (5) Consider investing in a digital thermostat to better regulate your household heat.
- (6) Fix drafts around your doors, outlets, switches, and windows.
- (7) Switch from regular light bulbs to compact fluorescent bulbs.
- (8) Use your ceiling fan or portable fan on low to circulate warm air.

Remember, 'A Penny Saved is a Penny Earned!'

Read & Understand Credit Card Statements

Have you ever looked at your credit card statement and ended up just scratching your head in frustration? Well join the club! But don't take any comfort in the fact that you have plenty of company, because lack of knowledge can cost you...right on your credit report, and once there it can stay with you for a while.

Adding to the challenge is that almost every creditor's statement is slightly different, varying in format and billing cycle and interest calculations. You first want to check what you purchased and what you borrowed, so make sure you save all your receipts to make certain you were not charged for something you didn't buy or were double billed. Immediately dispute any discrepancies via phone and in writing.

Next you'll want to verify the interest rates being applied for each type of purchase. Remember, cash advances almost always carry higher interest than normal purchases and interest usually accrues from the date you received the money. Also, if you have any balance transfers with introductory interest rates, verify that it is correctly noted and hasn't been increased prematurely. Review how your interest calculated (this information is usually on the back of your statement) and make sure that the right rate has been used for each category. On purchases, most cards take your average daily balance over the billing cycle and divide it by one-twelfth of your annual percentage rate (APR).

Lastly, but maybe most importantly, make sure you send your payment in well before the due date. In order to have your payment credited on time to avoid a late fee, it must be posted by the due date shown on the statement. Therefore, if paying by mail it is advisable to mail your payment at least a week in advance. For those whose cash flow doesn't allow an early remittance, paying by phone or on-line might a good alternative.

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Accredited Member of the Ontario Association of Credit Counselling Services, Credit Counselling Canada and Member Agency of the United Way.

While the information herein is believed to be accurate, Credit Counselling Service of Sault Ste Marie assumes no responsibility for errors, omissions, or actions based on this information.



Depth on Debt

Make your money work hard for you and you'll not have to work so hard for it.

- Napoleon Hill

Ways to improve your credit score:

- Keep account balances below 75% of credit limit
- Meet all bill due dates
- Pay debts off on or even ahead of schedule
- Check your credit report for accuracy
- Avoid applying for credit cards unless you need it; too many inquiries make you look credit hungry

Want more information go to www.equifax.ca



Did You Know?

You don't have to be knee deep in debt to make use of our services! You can come in to learn how to make better use of your money and achieve those financial goals! Our money management sessions are **free and confidential!**

Call us today... **254-1424**

10 Tips to Save Money Throughout the Year

1. Develop a budget and stick to it!
2. Track your out of pocket expenses.
3. Use coupons.
4. Comparison shop and shop with a list.
5. Cook more, use "convenience foods" less.
6. Distinguish between "WANTS" and "NEEDS"
7. Always read the small print.
8. Save for a rainy day, pay yourself first.
9. Pay off your credit card balance monthly
10. Use credit only as a convenience.

