



Consumer Credit Counseling Service of Central Oklahoma

Credit Wise Newsletter

Now is the Time to Save Yourself



When I was a kid, sometimes we'd go shopping for school clothes when the first dreaded day of school was still months away. When we'd find something that I just had to have, we'd put it in lay-away. My parents would make payments to the store and then when it was paid off, we'd get to take the clothes home. Today, very few stores still offer layaway. Why? Is it because everyone now has cash to purchase items instead of having to make payments on them? No! It's because now when people can't afford something, they just use a credit card. They would rather take the items home instantly and pay interest on them than wait a few weeks to take something home after it's already paid for. Our desire for instant gratification and credit cards could help explain why consumer debt is higher than ever and still growing.

So, how do we turn things around? In my opinion, the trend to stop saving is one of the biggest financial problems facing our nation. Americans save less than 1% of their income. That means that for most of us, when we have an emergency expense or we lose our job, we have no money in savings to help us survive financially.

Some national programs such as America Saves www.americasaves.org are encouraging Americans to reverse this non-saving trend. Here are some ideas that you can try:

Start saving for emergencies:

Put something in a savings account. It doesn't matter how small. Even \$10.00 per month would total \$120.00 at the end of the year. When you get into the habit of saving, it's rather contagious. It's fun to see how much money you have. If you buy a cappuccino each morning, could you make coffee at home and put the \$1.00 you would have spent in a savings account? \$1.00 per day 5 times a week would be \$260.00 in your account at the end of a year! It gives you a sense of accomplishment to leave money in a savings account and to watch it grow. Once you start the savings habit, it's hard to break.

Save for periodic expenses:

At some point or another, the car is going to need a new battery, the air conditioner may need serviced and as my dad frequently reminds me, the oil needs changed every 3,000 miles. Expenses come up periodically that can break your budget if you don't have any money set aside. Add up the total annual expense for periodic expenses such as car repairs, home repairs, medical expenses, and gifts. Divide that amount by 12 and set that amount aside each month.

Out of sight, out of mind:

Sometimes, it's easy to dip into your savings if it is easily accessible. If that is an issue for you, consider making it harder to get into. If you have your paycheck direct deposited, consider having a certain amount put into a separate savings account. Then try to forget about it. Since you never had the money anyway, you won't miss it when it's sitting in your savings account drawing interest.

Teach your kids to save: Getting kids into the habit of saving is one of the best things you can do for your children. My 5 year old son has an electronic bank that encourages saving. He sets a savings goal and every time he puts in a coin, it tells him how much money he has saved. It even gives him a fun fact about the coin. Now, whenever he finds a penny, he picks it up and runs straight to his bank.

Consider matching kids' savings:

Instead of just buying an item that your kids want, set a savings goal for them. Tell them that if they reach their savings goal, you will pay the rest. If a child has to work for something and actually save for it, they will be more likely to appreciate it.

Make saving fun: Set a goal for something you'd like to buy. Let's say it's a new TV. Cut out a picture of the TV you want and put it somewhere you see it everyday like on the fridge or bathroom mirror. Shop around for the best

price if you pay cash. Once you know where to shop, that price will be set as your savings goal. As you save, keep track of how much money you still need. Then when you have saved the full amount, go buy the TV with the cold hard cash you have saved. Keeping your eye on the prize can help keep you motivated.

Diversify your savings: Once your money grows to a good amount and you have become disciplined enough not to withdraw it, you may want to consider other savings options such as money market accounts or CDs. These will make your money harder to access (there may be penalties for early or excessive withdrawals) but you will earn a higher rate of interest on these types of account.

When I teach money management education classes, I frequently tell people that it is ideal to have 3-6 months of salary saved in case of a job loss or medical emergency. Most of the time I hear "Yeah, right" being whispered in response. Having that much money in a savings account may seem impossible. Start small and work your way toward this goal. Once you break the habit of just buying what you want and instead start saving for things, it will establish a lifetime of excellent money management.

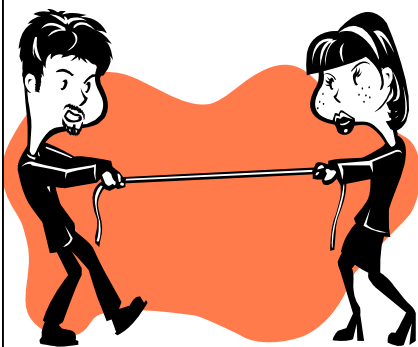


Your friends at CCCS would like to wish you a happy Spring!

For excellent money management, budgeting, saving and shopping tips check out www.betterbudgeting.com



'Til Debt Do You Part?



Don't Let Money Struggles Cause You Trouble!

In celebration of "Jump\$tart Your Money Week" April 24-28, 2006 CCCS will host a "Couples and Money" class. In this class, couples will learn to recognize their money differences. They will also learn to communicate more effectively on money topics such as saving, budget-

ing and goal setting. Couples will learn to work together toward common financial goals and minimize disagreements. Couples will also learn tips and tricks to promote harmony.

Excellent for all couples whether dating, engaged, or married.

Where: CCCS Conference Room 3230 N Rockwell, Bethany, OK 73008

When: Wednesday, April 26 from 6:00 to 7:00 p.m.

Cost: FREE

Please call (405) 789-2227 to enroll by April 24.

CCCS of Central Oklahoma is a non-profit credit counseling agency who has been serving Oklahomans since 1967. We have 11 locations across the Western 2/3 of the state. We offer FREE credit, budget, debt and housing counseling with our certified, professional counselors. We are also approved to offer bankruptcy education for those considering bankruptcy. Our services are available in-person, on the Internet or by telephone. We are a United Way agency, accredited by COA, an NFCC (National Foundation for Credit Counseling) member agency, and a member of the Better Business Bureau. We have offered honest and trustworthy service to hundreds of thousands of Oklahomans.

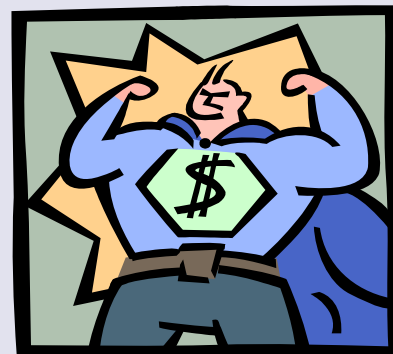
Personal Money Power:

A FINANCIAL FITNESS TRAINING PROGRAM

Conquer Financial Problems and Improve Your Life

You'll Learn:

- The Secrets of Handling Money**
- Money Savvy**
- How to Avoid the Pitfalls of Debt**
- The Power of Goal Setting**



From 6:30 p.m. to 9:00 p.m. for two consecutive weeks

Cost: \$15 a person, \$ 25 per couple (fee covers both sessions)

2 Consecutive Tuesday Nights
April 11th & 18th
3230 N. Rockwell
Bethany, OK
Conference Room

Call (405) 789-2227 or (800) 364-2227 to set up your session today!

Log on to www.cccsok.org for more information.

Email your questions to support@cccsok.org

Call (405)789-2227 or (800)364-2227 or email us at help@cccsok.org to register!