



Consumer Credit Counseling Service of Central Oklahoma

# Credit Wise Newsletter

CCCS of Central Oklahoma is a non-profit credit counseling agency who has been serving Oklahomans since 1967. We have 13 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.

## Predicting Your Financial Future

As a kid, I loved to play with a Magic 8-Ball that was supposed to hold legendary fortune telling power. I'd sit around for hours asking it exactly what the future would hold for me. Would I be rich? (*Outlook not so good*). Would I marry the man of my dreams? (*Reply hazy, try again*). Would I be happy? (*You may rely on it*). I think we have all wished that something or someone could tell us exactly what type of future we could expect. Some of those magic powers possessed by the 8-ball must have rubbed off on me because I am about to accurately predict your financial future. I won't even charge you \$3.99 per minute. Are you ready?

Your car is going to need repairs and tires every few years. You will need to buy new clothes for you and your family. Your air conditioner/appliances/roof will need replaced or repaired. The cost of living will rise. Your pet will need to go to the vet. You may lose your job. You or a family member will get sick and need medication.

So, am I really psychic? (*Don't count on it*). However, my predictions are right on the money. Most of us go through life with our fingers crossed, hoping that nothing goes wrong. Even if you are the luckiest person alive, something has to go wrong sometime. When it does, it's probably going to cost you.

If you just accept the fact that something is inevitably going to happen that wasn't in your plans, you will be able to deal with it much more effectively. Here's how:

### \$ Save for periodic expenses:

Items such as car repairs, home repairs, vet bills, medical bills, clothing, holiday gifts, and others may qualify as periodic expenses. You may not purchase them every month but when you do have to pay for them, they can be significant costs. Estimate how much you will spend over the next year in each category. Divide that amount by 12. Now, save that amount in a savings account each month. When your car tag is due or the dog needs shots, you will already have that amount set aside. You won't need credit cards or a loan to pay for it and it won't throw off your budget.

**\$ Save for a crisis:** While none of us want to live in constant fear, the fact is that sometimes really bad things happen to really good people. Catastrophes such as major illness, various acts of nature, or just a jerky boss can cost any of us our job at any time. If possible, it is advisable to have 3-6 months of living expenses in savings. If the worst happens, you will have some time to go to Plan B and recover without further devastation.

**\$ Get covered:** If you don't have proper health, life, home, and car insurance, you are taking a huge risk. In a split second, a major medical event or accident could change your life forever. When everything is going well, it's hard to stomach the idea of paying your hard earned dollars to an insurance company "just in case" something might go wrong. Trust me, if something does go wrong, you will be so glad that you planned ahead and were properly insured. For example, my dad suffered a major, unexpected medical problem earlier this year. If it weren't for his

health insurance, my parents would have been buried under close to a million dollars worth of medical bills. It's important to contact your insurance agent to make sure that you are protected.

**\$ Plan for retirement:** Whether you are age 4 or 40, if you hope to live past the age of 67, you are going to retire someday. Don't wait until your retirement party to start planning how you will survive. You certainly can't count on Social Security to support you. Talk to your employer to see if they have a retirement plan. Many employers offer 401K plans. They may even match a percentage of your salary. Not only will you be giving yourself an instant raise by taking advantage of your employer's generosity, you will have money to help you through the Golden Years. If your employer does not offer a retirement plan (or if you want to diversify) contact an investment advisor for other investment plans.

I know from personal experience that it is easy to get caught up in the moment and not think too far ahead. However, when it comes to your finances, living spontaneously isn't a luxury that you can afford. You can either live in fear of what will happen when something goes wrong or you can start planning for the inevitable. Don't wait until disaster strikes to start planning for how to deal with it. If you plan for the "unexpected" unfortunate events, the future will be a lot brighter. You don't need a Magic 8-Ball to tell you that. (*It is decidedly so*).

By Jennifer Delcamp, Vice President  
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### Need Personal Financial Guidance?

Let us help!

**Budget, credit, debt, and housing counseling are all FREE services!**

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

Log on to [www.cccsok.org](http://www.cccsok.org) for more information.

Email your questions to [support@cccsok.org](mailto:support@cccsok.org)

**For more budgeting tips check out [www.betterbudgeting.com](http://www.betterbudgeting.com)**