

Living on less is never easy, but with a little planning and a positive attitude, you should be able to weather most financial storms. NEAS, your employee assistance program, makes financial counseling and education available to you through BALANCE, a financial fitness program. BALANCE counselors can help you develop a savings and spending plan, manage your debt, review your credit history, take the necessary steps to buy a home or protect the one you've got, or set up a plan of action to reach your goals. So, take a deep breath, relax, and review the following tips that you can help make any setback smooth and (almost) painless.

For more information on how to access BALANCE and other services NEAS offers, call 1-877-464-4009 or log onto www.neas.com.

PRAGMATIC PLANNING

- Now is the time to take stock of what you can do to avoid being hit with a financial shock later. Avoid the urge to procrastinate – Mark on your calendar the date that you will have to live on less.
- Anticipating a tax refund? If so, beat the rush and file your taxes as soon as possible so you don't have to wait for much-needed cash.
- Put money aside in a special "piggy bank" or savings account for the occasion.
- Start thinking about generating money by selling an asset. This can include everything from having a garage sale to selling stock (just beware of capital gains taxes for next year).

BUDGETING BASICS

- Financial planning begins and ends with a realistic budget. If you haven't reviewed your goals, assets, income, expenses, and debt in a

while (or ever), now is the time to do it. Sit down and do the numbers crunch. It is worth the effort.

- Once you have an accurate idea of where your money is going each month, take a good, hard look at it. Are there areas you can reduce or eliminate? Just how important is the \$4 morning muffin and coffee? Five times per week will run you \$80 a month. This is your opportunity to analyze when and how you spend your money – and make positive decisions about what you may want to change.
- Track your expenses. It's a great habit to get into, and you may be able to prevent "money leakage" – the fast cash \$40 that seems to evaporate before you leave the ATM machine. By plugging the holes now, you can save more efficiently for the times when you will really need it.

SAVVY SAVING

- Emergency savings are for times like this. If you have saved some money, pat yourself on the back – you deserve it. Take out only what you need and spend prudently.
- If you do not have a savings account to fall back on, don't despair. However, this is a good example of a situation where an emergency savings would be helpful, and may be the perfect motivation to start one. Ask your employer to have money deducted from your paycheck and deposited into a savings account. Three to six months of accessible expenses is standard.

SMART SHOPPING

- Consider every purchase – Do you need it? Do you need it now? Can you get it for less somewhere else? Asking yourself these questions will help you become a savvy shopper in both flush and tough times.

- Buy in bulk – but only if you can afford it. It doesn't make sense to buy a 50 pound bag of cat food, even if it is a great deal, if you really only have enough for a box that will last the week.
- If there is a farmers market in your area, you can take advantage of the freshest produce for "dirt" cheap prices.
- Use coupons to save on food costs. But beware – you may be tempted into buying something you would never otherwise purchase simply because it seems like such a bargain. Do you really need four packs of triple A batteries, or orange-confetti cake frosting?
- Cut entertainment costs by renting videos rather than going to the movies. Or take advantage of the movies available on the cable or satellite service you already pay for.
- Eat at home rather than going to restaurants – even fast food is often more expensive than a home cooked meal. If you do go out, try eating at cheaper restaurants or take food out rather than eating in the restaurant to save on tips and drinks.
- Save on supplies – use sponges rather than paper towels, a multi-purpose cleaner instead of several specialized ones, and recycle newspapers, bottles and cans. You will help save the earth while saving money!

CREDIT CONTROL

- If you find you can't pay your bills, contact your creditors and explain your predicament – you may be able to avoid a late payment fee, particularly if your payment history has been consistent. A phone call is good, but a letter is better, as you will have tangible evidence of your efforts. Keep copies of all correspondence and maintain a log of telephone communications, complete with a representative's name and time of call.
- If you have credit card debt, pull out your most recent statements and check your present

annual percentage rates. Are they higher than you remembered? Or simply too high for you to be comfortable with? If so, it may be time to make some changes:

- Give your current creditors a chance. If you have been a good customer, remind them of it, and ask for an interest rate reduction. A five-minute phone call can make for huge savings.
- Consider transferring your balances to low interest cards or those with extremely low "teaser" rates. Be sure to evaluate the transfer offers carefully though – How long does the offer last? Is the APR 5.9% or 5.9% plus the prime rate of interest? How long is the grace period – you may not want to go from a 30 to a 20 day grace period. What is the punitive interest rate for late payments? They can be as high as 36% -- quite a jump from the original offer.
- Credit card debt is expensive. And frustrating. If you feel you have been treading water or watching the balance grow rather than plunge, go back to your budget and consider making changes. A \$2,000 balance with a 19% interest rate may take 30 years to repay if you just make the minimum payment – and that's if you never make another purchase on it!
- Debt consolidation may be an option. A Debt Management Plan is designed to help consumers repay their debt in three to five years by offering interest rate reductions (depending on the creditor), one monthly payment, and a commitment from you to not get into further debt. A BALANCE counselor can help you determine if the Debt Management Plan is appropriate for you.

Finally, remember that planning ahead is key to being prepared for tomorrow. BALANCE can help you understand your present and future financial options. If you need help with your budget, credit report, long term planning, consumer issues, or debt management, contact NEAS for a referral.

Keep reading for a list of quick money-saving tips.

1. Set your thermostat to 64 and turn it down to 60 at night.
2. Use the phone book instead of directory assistance.
3. Use coupons at the grocery store.
4. Carpool.
5. Ask for generic prescriptions instead of brand name.
6. Do your own nails.
7. Rent out a room or garage.
8. Replace 100 watt bulbs with 60 watt.
9. Make long distance calls at night and on weekends, instead of mid-day, mid-week.
10. Throw pocket change in a jar and take it to the bank when it's full.
11. Always grocery shop with a list.
12. Buy spare parts for your car at the junkyard.
13. Go to museums on free days.
14. Quit smoking.
15. Get hand-me-down clothes and toys for your kids from family and friends.
16. Meet friends for coffee instead of dinner.
17. Request to get interest on the security deposit for your apartment.
18. Take a shorter shower.
19. Write letters instead of calling.
20. Brown bag your lunch.
21. Make your own baby food.
22. Use public transportation.
23. Drop duplicate medical insurance.
24. Buy old furniture at yard sales and refinish it yourself.
25. Apply for scholarships and financial aid.
26. Exercise for free - walk, jog, bike, or get exercise videos from the library.
27. Form a baby-sitting cooperative with friends and neighbors.
28. Buy your clothes off season.

101 Ways To Save Money

29. Go to a matinee instead of an evening show.
30. Share housing with a friend or family member.
31. Hang clothes out to dry.
32. Do not use your calling card.
33. Volunteer two hours a month for reduced cost food through the Share Program (800-499-2506).
34. Change the oil in your car yourself regularly.
35. Get pre-approval from your medical insurance company before undergoing any procedures or tests.
36. Buy "no frills" vitamins.
37. Take a date for a walk along the beach or in the woods.
38. Make cards and gifts for friends.
39. Shop in thrift stores.
40. Have the water company do an audit so you are not charged sewage fees for water used in your garden.
41. Refinance your mortgage.
42. Grocery shop on double coupon days.
43. Trade down your car for a less expensive, lower maintenance one.
44. Convert your cash value life insurance to term.
45. Shop around for eyeglasses.
46. Don't be shy about pulling something you like out of the trash.
47. Recycle.
48. Move to a less expensive place to live.
49. Use low flush toilets or water saving devices in the tank.
50. Drop unneeded telephone services like call forwarding or caller ID.
51. Buy fruits and vegetables in season.
52. Avoid using your ATM card at machines that charge a fee.
53. Bicycle to work.
54. Shop around for auto insurance discounts for multiple drivers, seniors, good driving records, etc.
55. Ask your doctor for samples of prescriptions.
56. Borrow a dress for a big night out, or go to a

- consignment shop.
57. When you buy a home, negotiate the sales price and closing costs.
 58. Turn the hot water heater down and wrap it with insulation.
 59. Never grocery shop hungry.
 60. If you qualify, file for Earned Income Credit on your taxes.
 61. Shop around for prescriptions including mail order companies (Medi-Mail 800-331-1458, Action Mail Order Drugs 800-452-1976, and AARP 800-456-2277).
 62. If you pay for childcare, make use of the dependent care tax credit or your employer's dependent care flexible spending account.
 63. Buy, sell, and trade clothes at consignment shops.
 64. Shop around for the lowest banking fees.
 65. Caulk windows and doors.
 66. Iron your own shirts.
 67. Plan your weekly food menu before shopping.
 68. Buy a good used car instead of a new model car.
 69. Purchase all of your insurance from the same company to get a discount.
 70. Cut your cable television down to basic.
 71. Go to an optometrist for routine vision tests or to change an eyeglass prescription.
 72. Buy pre-owned toys and children's books at garage sales.
 73. Have potluck dinners with friends and family instead of going out.
 74. Use the library for books, video tapes, and music.
 75. Inspect clothing carefully before purchasing it.
 76. Don't use your dishwasher dry cycle; open the door and let them air dry all night.
 77. At the grocery store, comparison shop by looking at the unit price.
 78. Make your own coffee.
 79. Use old newspapers for cat litter.
 80. Shop at discount clothing stores.
 81. Skip annual full mouth X-rays unless there is a problem; the ADA recommends X-rays every 3 years.
 82. Water your garden at night or early in the morning.
 83. Shop around for long distance rates.
 84. Hand wash instead of dry cleaning.
 85. Grow your own vegetables and herbs.
 86. Shop around for auto financing.
 87. Donate time instead of money to religious organizations and charities.
 88. If you are leaving a room for more than five minutes, turn off the light.
 89. Shop at auctions or pawn shops for jewelry and antiques.
 90. Keep your car properly tuned.
 91. Request lower interest rates from your creditors.
 92. Trade in old books, records, and CDs at book and record exchanges.
 93. Pay bills the day they arrive; many credit card companies charge interest based on your average daily balance.
 94. Buy software at computer fairs.
 95. Search the internet for freebies.
 96. Compost to make your own fertilizer.
 97. If your car has very little value, you probably only need liability insurance.
 98. Cut the kids hair yourself
 99. Increase your insurance deductible.
 100. Buy in bulk food warehouses.
 101. If your income is low, contact utility companies about reduced rates.