Mend your spending

Use your money wisely

You have probably asked or heard the question, “Do you really need that?” It is a good question to ask when you are thinking of making a purchase. Buying on impulse can be a big budget buster. Getting by with less is a budget saver.

Action Step

Have fun at little or no cost. Attend free community events, such as concerts and picnics. See movies at discount theaters. Go for hikes and bike rides as a family.

USE CREDIT CARDS WISELY

- Keep cards to a minimum.
- Pay your bill on time to avoid a late payment fee and a higher “penalty” interest rate. Stay below your credit limit.
- Pay the balance in full. If you can’t, make more than the minimum payment.
- Try to avoid getting cash advances, which have very high interest rates.
- Ask for a lower interest rate on credit cards you currently have.

TRIM COSTS FOR TECH SERVICES

- Choose a cellphone plan that avoids hefty fees for extra minutes and texts. Use a Wi-Fi connection when you can at home or work. Keep your phone longer before getting a new one.
- Shop around for best prices and services for Internet, phone, and cable. Bundle services if this saves money. Contact your current provider and ask if it will match a competitor’s lower price.
- Trim your cable package to include just your must-have channels. Cut back on extra premium channels.

SAVINGS TIPS

- Refinance your mortgage if you can lower the interest rate enough to make it worth your while.
- Shop for items, even cars, online. Compare prices.
- Eat out less often.
- Take advantage of employer sponsored programs and services. Examples are matching your 401(k) contributions and flexible spending accounts (FSAs), which allow you to use pre-tax dollars to pay for medical and child care expenses.
- Clip and download coupons for free, as well as reduced prices on groceries, restaurant meals, retail items, and home improvement services. Send in rebates that come with products you buy.