

Winter 2015

Cambridge Quarterly NEWSLETTER

A personal finance newsletter presented by Cambridge Credit Counseling

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New Year's Resolutions for your Finances

1. Avoid eating out at restaurants as much as possible. Stick to cooking food at home to save money.

2. Create a budget!! If you haven't created a budget for your household yet, use this new year to get started!

Keeping Holiday Spending Under Control

You can never hear too many ideas about how to save money around the holidays, right? We didn't think so! That's why we wanted to bring you some helpful tips when shopping for your loved ones!

Re-Evaluate Your Needs and Wants

We've discussed needs vs. wants before in other articles focusing on budgeting and money management. This skill of being able to understand what you truly need comes in handy around the holiday season, as well. Now, of course, no one NEEDS holiday gifts. The idea of re-evaluating your needs and wants refers more to who you truly wish to buy a gift for this year. Immediate family members typically make the list, but do each of your child's teachers need a holiday goodie bag? Probably not. When making your gift list, keep it simple. The holiday season is about giving...but that doesn't mean you have to give more than you're able.



Shop Year Round

Why not give yourself extra time to prepare and start shopping early in the year? You're more likely to spend less money if you don't feel rushed into purchasing something before you run out of time. To combat overspending, try to make a list of possible gift ideas at the beginning of the year and keep an eye out for sales throughout the months leading up to the holidays. By doing this, you're avoiding the risk of overspending on last-minute gifts, as well as, avoiding spending a large amount of money all in a short period of time.

We all know that young children change their minds on a frequent basis! It may seem pointless to buy a gift for a child in February that may have completely different interests once November rolls around. To solve this, another method of shopping year round is to buy a gift card in a small amount each month of the year. By doing this, you're putting away money towards gifts each month without having to commit to a gift early on.

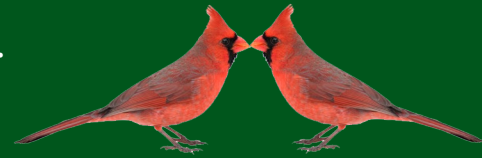
Ten Inexpensive Gift Ideas:

1. Gift card to a favorite restaurant
2. New book or movie
3. Warm throw blanket
4. Candle
5. Lotion/Bubble Bath
6. Homemade cookies
7. Chocolates or sweets
8. Book of recipes
9. Personalized mug
10. Your time



3. Make it a point to look through what you own before you buy something new. You may already own what you need!

4. Cancel subscriptions and memberships that you don't use or need. You could be putting that monthly fee towards your debts.



Going Out vs. Staying In

When your family is craving quality time together, you might automatically assume the best options for the evening involve going out to dinner or a movie. But what do you do when your budget is tight? Is going out still the best option? It might not be. We want you to be aware of exactly how expensive a night out can be so you can make a smart financial choice for your family.

Movie Theatre vs. Movie Night

Do you want to enjoy a movie night but don't have room in the budget? Are you simply interested in cheaper alternatives so you can save some cash? You're in luck! There is definitely an alternative to an expensive evening at the movie theatre – and it's right in your very own living room. First, let's take a look at exactly how expensive a night at the movies can be.

According to marketplace.org, in 2013 the average movie ticket price in the U.S. had risen to \$8.13. Judging from our own experiences going to the movies in the years since, those price increases haven't shown any signs of stopping. While it IS exciting to see the newest movies right when they come out, is it worth the high price? For a family of four, that could add up to \$32.52 just to get into the theatre! (Did you know that around 70% of those ticket sales go to the studios that make the movies?) If you're fond of getting snacks at the movies, your wallet is going to take another hit at the concession stand. The theatre has to earn money somehow, right? Take a good look at the prices of concessions next time you're in line and think about what you're spending. If you're not careful, your night at the movies could end up costing you a lot more than you expected. In 2012, Consumer Reports wrote about the nutritional value, and cost, of concessions at movie theatres. During their research, they found that they spent \$8 for a large popcorn, \$7 for nachos, \$5.50 for pretzel pieces with cheese, and \$5.75 for a jumbo soda.

So, why would you want to spend an excessive amount of money on a movie and snacks when you could enjoy the very same evening in the comfort of your own home? Services such as RedBox, Netflix, and OnDemand offer movies for a fraction of the price you'll see at the theatre.

Meet the Cambridge Team

Todd Friedhaber has been with Cambridge for over 17 years. Todd is one of our NCHCE Certified Housing Counselors, specializing in Foreclosure Intervention and Default Counseling. Todd is also a member of our Education Department. In that role, he teaches financial literacy classes to a variety of audiences in our local service area, including the Western MA Women's Correctional Facility and Massachusetts Homeless Veterans. "The best part of my job is educating people. As my grandmother says, 'it's the one thing no one can take away from you'."



Holiday Spending (cont'd)

Be Wary of "Deals"

When we see the words "SALE", "DISCOUNT", and "DEAL" we seem to automatically assume we're getting more for our money. This is, unfortunately, not always the case. While there are very good deals out there, we can sometimes be tricked into buying more items than we need. How can you have saved money if you're purchasing items you wouldn't have bought on a regular trip to the store? We're pretty sure that you can't!

Imagine you're out shopping for gifts around the holiday season and you come across a sign for "Buy 2 get 1 half off!" If the item on sale is typically around \$30, you could be saving yourself \$15 dollars! Sadly, no. You're actually wasting \$45 dollars! Would you have bought 3 of that item had they not been on sale? Try not to stray from what you would normally buy for the people on your shopping list.

Buy Used or DIY

Obviously buying used isn't always a good idea, or sanitary for that matter. However, you can find pretty good deals buying holiday gifts from a thrift store and refurbishing them to suit your loved one. We don't recommend buying stained clothing, or old electrical appliances, but you can find the piece of furniture that just needs a quick makeover to make it like new again! Can you imagine the look on your loved one's face when you turn up with a tailor made rocking chair perfect for their sitting room? No one will know you spent pennies on the dollar AND you'll be avoiding purchasing something expensive your loved one may or may not even use! If you're not wanting to make any alterations to your Christmas gifts, an easy thrift shop find is gently used children's books and toys. These can easily be wiped down and disinfected and will be a perfect toy for your child or grandchild (that they will soon grow out of!)

Is there someone in your life struggling with debt?

Be sure to tell them that a simple, safe solution is available. Please refer your



1-800-CAMBRIDGE
www.CambridgeCredit.org

Going Out vs. Staying In (cont'd)

Restaurant vs. Home-Cooked

You'd be hard-pressed to find anyone who doesn't enjoy going out for a nice meal at a restaurant. The allure of not having to cook or wash your own dishes is tempting for anyone around dinnertime! According to Statista.com, in 2013 the average cost per person at a casual dining restaurant was \$13.75. That means the cost of dinner for a typical family of four would be a whopping \$55.00! Can you imagine if you planned to have dinner AND see a movie in one evening? Spending over \$100.00 on one night out can be devastating to even the most budget-savvy family. Fortunately, there is a way to have a fun family dinner without breaking the bank.

The internet can be your best friend when you're on the hunt for inexpensive family-friendly recipes. What is your family's favorite type of restaurant? Find a recipe online that matches their theme and bring the whole family in on the cooking process! Are you in the mood for Italian? Homemade spaghetti with meatballs can feed the whole family with leftovers to eat the next day. Are you feeling festive and craving Mexican food? Oven-baked fajitas can be made at home for pennies on the dollar. Saving money on dinner doesn't have to mean you'll sacrifice taste and fun, and you'll be surprised at the dishes you can create at home for less than you'd think!

If you're still determined to have a night out of the house, there are ways you can cut your spending and still enjoy the convenience of a restaurant. Look for a restaurant with a "kids eat free" policy, purchase discounted gift cards, sign up for rewards programs, or check your newspaper or the internet for coupons.

Cambridge now offers

Student Loan Counseling



Call (888) 661-7910

Talk to a Student Loan Counselor about options that may be available to help with your federal student loans.

Not available in all states.