

Tips To Save You Money

During these uncertain economic times, we are all searching for ways to save money. While we may think “a nickel here and a dime there” doesn’t amount to much, over time these savings can add up. Your local community banker suggests these ways to save money.



*Tips from your
Community Banker*

✓ Lower the price of a round-trip airfare by as much as two-thirds by staying over Saturday evening.

✓ Rental car companies offer a variety of insurance and waiver options. Check with your automobile insurance agent and credit card company in advance to avoid duplicating any existing coverage you already have.

✓ Don’t lease a car based solely on the fact that the payments are lower than a traditional auto loan. Remember, at the end of the lease, you won’t own the car. A valuable source about auto leasing is available from the Federal Reserve Board—Keys to Vehicle Leasing: A Consumer Guide. To view this guide, log on to <http://www.federalreserve.gov/pubs/leasing/>.

✓ In order to avoid costly and unnecessary car repairs, find an honest and skilled mechanic, preferably one who has done repairs for someone you know.

✓ Talk to your agent about raising your deductibles on collision and comprehensive coverage to at least \$500, or, if you have an old car, dropping the coverage altogether.

✓ Make sure you purchase enough homeowners insurance to replace the house and its contents. “Replacement” on the house means rebuilding to its current condition.

✓ If you want life insurance protection only, buy a term life insurance policy. If you want to buy whole life, universal life or other cash value policy, plan to hold it for at least 15 years. Canceling these policies after only a few years can more than double your life insurance costs.

✓ You can save substantial dollars a year in lower credit card interest charges by paying off your entire bill each month. Also work to avoid late payment fees and over-the-credit-limit fees.

✓ To save hundreds of dollars a year on electricity, make sure any new appliances you purchase, especially air conditioners and furnaces, are energy efficient.

✓ Check with your local phone company to see whether a flat rate or measured service plan will save you the most money. Also, check to see if you have optional services you don’t really need.

✓ Bank with a community bank. According to surveys of bank fees, community banks typically charge less than their large competitors.

One of the most important ways to save money is to determine whether you’re a “chronic spender.” Warning signs of chronic spending include:

✓ Buying something to improve your mood or attitude and help you feel better.

✓ Being an impulse shopper. Think about your purchase carefully and postpone decisions for 24 hours to determine if you really need it.

✓ Buying to impress others. Remember, you don’t need a state-of-the-art kitchen if you don’t cook.

If any of these warning signs seem familiar, hide your credit cards for 30 days and use only cash to purchase necessities like food and transportation.

By trying these easy money-saving tips, you’ll be surprised how much money you’ll really save.

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Note: These tips are intended to provide accurate, yet general consumer information. They are not intended to provide legal, accounting or other professional services. Please contact a professional service provider for specific questions.