



MONEY MATTERS

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HOLIDAY SHOPPING AND MONEY

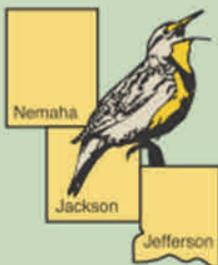
When families think about holiday shopping, a budget may go out the window. Take some time to do a bit of pre-planning before you venture out to the mall, or you may be left with retail regret! Here are some tips to help keep you on track.

Create a budget and stick to it. Sit down with your family and discuss your holiday festivities and gift giving wishes. Try using a holiday checklist, such as a free **online template**, to help you track your expenditures.

Plan for holiday parties. Is there a gift exchange? Will you bring a dish to share? Think ahead of time about costs associated with holiday parties and include these in your budget.

Watch for hidden costs. Do you need to ship gifts? Are you mailing holiday cards? Will you purchase household decorations or wrapping supplies? Will you make any special meals?

Little gifts add up. Many people like to remember co-workers, teachers, service personnel, and others during their end-of-year gift giving. Handwritten thank you notes and homemade gifts are appreciated. Don't feel pressured to buy gifts you cannot afford.



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Start Planning for the Holidays

The challenge is to start planning for your holiday season. Although it seems early, and I'm not one to put up the decorations before Thanksgiving, it is a good idea to start planning, saving and budgeting well before Christmas, so you can score the best possible deals on travel, gifts and any other Christmas expenses you may have. For example, many photo sites start running deals on photos in October so you can purchase Christmas cards or photos for your cards at a steal. This challenge is to help you get ready so you can have a stress free holiday and avoid a New Year's credit hangover.

First, make a tentative list of everyone you are going to buy gifts for. Then determine how much you have available to buy the gifts. If you have been saving all year, this may not be difficult to do. If you haven't, look at your budget for the next few months and determine how much you can scrape together to cover these costs so you do not have to put it on a credit card. Once you know the amount you have, you can begin assigning the amount you want to spend on each gift and then begin shopping or brainstorming ideas. This is your basic holiday budget, and you need to work carefully so you stick to it.

Next, determine your holiday travel or hosting budget. If you are visiting friends or family or going skiing over Christmas vacation, you will want to make sure that you have the money to cover those costs. If you are staying home and having people come and visit, you will need to plan to cover the extra cost for food and other activities you will be doing. This money adds up fast, and you will want to determine how much you plan to spend. You may need to cut back on extra spending in the next few months so you have the cash on hand to pay for the holiday extras.

Now is the time to begin thinking of your Christmas or holiday cards also think about the gifts you give coworkers, teachers, and neighbors too, since you can often give similar gifts that you make or put together. If you start browsing for ideas you may be able to find the items you need at an affordable price now. Start looking for deals on photo prints and custom cards now. You can also begin checking out the Black Friday boards, because many of the sales items are leaked early so you can find the best deals. Woot.com and other sites like Groupon can find daily deals that may work well for Christmas gifts. If you are buying things like gift cards make sure they will not expire until a few months after the holidays.

If you have not set aside money for the holidays yet, plan to make it a category in your budget. When you are single, it is often easy to pay for holiday spending as you go. But if you have a large extended family, a tight circle of friends or if you have children of your own, it becomes more difficult to pay for everything you need for the holidays. If you make it habit to start saving now, it will be easier to increase the savings as your spending increases and, you will not need to worry about running up your credit cards over the holidays. You can include your travel costs in with your holiday budget, so you just have one large category. This may mean \$50.00 a month or it may mean \$100.00 or more a month. The positive thing about holiday shopping is that you get to decide how much to spend on it. Some banks have holiday or Christmas savings accounts where you contribute the money and they send you a check for the total in your account in October.

There's Always Money in the Banana Stand, Right?

New Study Finds that Young Adults Can't Bank on an Inheritance

September 12, 2012

By: Sean Naron, Administrative and Advocacy Associate, Consumer Federation of America



Born in the fall of 1989, I am considered a member of the "Millennial Generation." Millennials are often described as possessing an assortment of distinct character traits, the majority of which are not exactly positive. We have been labeled as narcissistic, a generation of multitaskers obsessed with online profiles (or online anything really), and have been dubbed the "instant gratification generation."

While the jury is still out to how true all these labels are, a new study has shown that one commonly held idea about Millennials is very accurate: too many of us hope to rely on our parents for financial support.

A survey conducted by TD Ameritrade (via **USA Today**) found that 40 percent of teenagers and young adults between the ages of 13-22 believe their parents will leave them a sizeable inheritance.

The reality?

Only 16% of parents said that they expect to provide an inheritance for their children.

So, fellow Millennials, listen up: as much as we would like it to be true, we can't bank on receiving an inheritance from Mom and Dad. **We need to save for our own retirement.**

discovered an online savings site that automatically deducts so much from my bank account. It's a set amount so I know what to expect – but it takes away the emotional component of setting money aside.

Raise your allowances

One way to get more money is to raise the allowances on your W-4 form at work. The more allowances you claim – the less there is taken out of your paycheck. I know some folks who don't want to give the government a loan for the year and have so many allowances there are virtually no taxes taken out of their checks. But, one thing you could do (from time to time) is raise your allowance and put the extra you get back into savings. You may owe more at tax time – but better *you* making interest off your money than Uncle Sam.

Call up your insurance company

When you get a chance – call up your auto insurance company and ask them if you are eligible for any discounts. You'd be surprised at what you might qualify for and how it will affect your premiums. You may also want to see if you legible for liability coverage (instead of comprehensive). The money you are saving from these discounts can be put into your reserves.

Keep a change jar

At our house – we keep a large jar that we throw all our coins into. When it gets half-full or so, we take 'er to the bank and deposit it into savings.

Content from September 25, 2012 America Saves.

Unconventional Ways to Save \$200 or More in a Month

Let's face it – it's really hard to save money when the bills are piling up and you feel like you're just living paycheck to paycheck.

So, what are some ways you can save that are a little more unconventional, but will get you some positive cash reserves?

Here are a few things that I like to employ to help me save money each month:

Automatic bank deductions

One great thing about living in the digital age today is that you can automate a lot of your personal finances – including your savings.

When I was struggling with putting aside so much each month, I

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