



► A MESSAGE FROM OUR PRESIDENT, D. ERIC GILES, JR.....2



► SOME TIPS FOR STAYCATIONS!.....2



► WORD SCRAMBLE WITH THE THEME OF GROCERY SAVINGS .. 3



Issue #3 | Volume I | 2011

DEBT FREE AMERICA.COM

The Debt Free

LIFE

HELPING OUR CLIENTS BREAK FREE FROM DEBT. IT'S WHAT WE SAY, WHO WE ARE, AND WHAT WE LIVE FOR!

How to set up a budget

Part #1

by Olivia Emisar

Setting up a budget does not have to be an overwhelming task and this article will run you through the steps so you can set up your budget with a minimum of effort. You will need a blank sheet of paper divided in half, a pencil and a calculator. Or if you prefer and are comfortable working with spreadsheets that you know how to format to add and subtract, use that. Or a simple word processing sheet divided into income and expenses category will work just as well.

1. List all your sources of income on one side of the sheet and be accurate about it.
- *2. List all your monthly debts on the other side.

If your sources of income are greater than your debt, you are doing fine and can now start trimming the fat to save even more. The goal here is to make the income portion of your page to keep increasing while your debt portion needs to be decreased by simple measures. If your sources of income are less than your debt, you need

to pay special attention to cutting back and changing the parts of your lifestyle that will lead you into bankruptcy. Let's face it, you have to work to achieve certain things and live in a certain way, why would you want to lose what you already have and start from scratch when there are ways to keep it all and increase your income to debt ratio?

You need to have goals in mind and they need to mean something to you. Do you want to have enough money to buy your next car in cash? Pay off your mortgage early? Go back to college? Send a kid to college? Retire early? Or do you have short term goals that include a luxury vacation, High Definition (HD) TV, or new furniture?

Any of those mentioned above require that you know to the penny what your income and expenses are and that you have a realistic time frame to achieve success.



GOALS: List your goals on the other side of the paper and come up with a realistic number for the expenses and the time frame to achieve your desired goal. Break the time frame into the frequency of your paychecks and how much of that needs to be going into an un-touchable savings account every single pay period.

This article will be continued in our July newsletter



Helping you save money on GASOLINE!

Whether you're commuting to work or planning a big summer trip, you probably want to save money at the pump. An important variable in estimating your gas mileage is how you fuel, drive, and maintain your car. Check out these tips on getting more from your gas dollars.

<http://www.ncpw.gov/blog/money/tips-to-stretch-your-gas-dollars>



Even though economists might argue that the recession is officially over, it doesn't feel that way to those who are unemployed or still on the road back to recovery. So what is the alternative to an expensive vacation? A "staycation". So what is a "staycation"? It is a money saving alternative to a conventional vacation, and an appealing way to escape the everyday stresses without busting your budget.

The soaring gas prices have even put a road trip out of reach for many families. So the idea of a staycation where you stay at or near home, instead of a vacation, is an appealing one. Instead of flying cross-country to a pricey theme park, you might take a relaxing trip to a local park or have an all-day bar-b-que around the back-yard pool.

Staycations

You may want to try one!

The key is to create the environment of a traditional vacation. Plan activities ahead of time, and keep work out of your leisure time. So that means no household projects or chores, no checking emails or calls to the office.

Here are a few tips for an enjoyable staycation. **Scenic train rides**, lasting 30 minutes or a full day, can be romantic for the adults or cater to children. Some have "pretend" train robberies or other entertainment. **Camping** is also a classic, low-cost escape. You can search the web for campgrounds and places you haven't visited. (It is okay to travel some on a staycation.) **Museums** are fun for all ages, and most have activities for children. Check the web for nearby museums you haven't been to. There are many types of museums – art, car, aviation,

history and science. Even museums dedicated to doll, miniatures, or toys. What about a **neighborhood water**

STAYCATION:
A money saving alternative to a traditional vacation!

park on a scorching day? **Picking your own fruit** can be fun for the whole family.

After you pick the fruit, you can bake pies or other treats. Go to PickYourOwn.org to check which fruits are in season and to find a "you-pick" farm near you. **Sunset cruises**, wine tastings, concerts, tours of historic homes, and community theater are good adult staycations. You could also spend a few days at a local bed and breakfast. Try renting a convertible or other dream car and head to the beach or your favorite restaurant.

Once you have tried your staycation, you might decide that no matter what the state of the economy is, it is better than a traditional vacation.



Pay Attention at the ATM!!

In this (arts and) crafty con, thieves glue down certain ATM buttons — "enter," "cancel" and "clear" — to prevent you from completing a transaction after inserting a cash card and keying in a PIN. Frustrated, you leave the machine to report the problem and crooks move in to complete the withdrawal.

It works, say police, because many people don't realize that, on many ATMs, you can use the touchscreen as well as the physical buttons for the final steps of getting cash. That's how the crooks get your cash.

In machines with this feature, an on-screen tab that says something like "press here" can be touched to complete a transaction instead of using the "enter" key.

So far, this gotcha-with-glye scheme has turned up only in California.

A similar ploy showed up last year in India. In that case, New Delhi police arrested a man who allegedly glued down keypad buttons and then used a screwdriver to release and push the stuck "enter" key while the victim walked off to report the jammed machine to bank officials.

In addition to glue, other innocuous household items have been pressed into service by ATM crooks:

- * Napkins or plastic sheets. They're stuffed into the cash dispenser to block the release of money.
- * Camera film or aluminum foil. It's slipped into the card slot to trap your card inside the machine. After you leave to get help retrieving your card, the crooks use basic tools to remove the trap and grab the card.

Letter From Our President

STATE OF MIND

I'm a true believer in self-fulfilling prophecy. In recent weeks I've noticed more doom and gloom than normal from the media. From mortgages, gas prices, national debt, to the stagnant or slowing economy. It's tough to not let the media fool you into believing how hard life is. You know the old saying, "misery loves company". But where are you? If you are going through tough times and you have anxiety about the future, then make your own decision on where life is taking you. Don't just go through life letting bad things happen to you. If you believe bad things are going to happen, they WILL



DEBT FREE AMERICA.COM

happen. Confess good things in your life and stop all the negative talk.

If this topic hits home, then tomorrow before your feet hit the ground, confess or pray about the great day you're going to have.

"A good man brings good things out of the good stored up in his heart, and an evil man brings evil things out of the evil stored up in his heart. For the mouth speaks what the heart is full of"

– Luke 6:45

Have a GREAT day!!

Blessings,
D. Eric Giles, Jr.
President
DebtFreeAmerica.com

DID YOU KNOW:

Word Search puzzles are fairly new only dating to the 1960's!

DEBT WORD SEARCH

Can you find all the words?

They may be horizontal, vertical or diagonal, forwards or backwards

savings
coupons
double
clip
money
grocery
expired
bargain
tips
policy
triple
weekly
flyer
store brand
inventory

shelves
stock
price
sale
checkout
cashier
quality
trial size
loyalty card

a s e x p i r e d e n v p e
i p t l s z d e r i c h s l
e s r o p a c s a v i n g s
s p i t r i l g c e a l t e
n o a n r e r e y l f o o v
t b l p v a b t t e c r e l
e c s i b e e r l k a y w e
t a i l t v n b a y s e s h
e s z c r n u t y n e n p s
c h e c k o u t o k d o e a
e i i o d e a p l r l m e r
u e m y g y u y y i y c t b
i r e l a o s u c r i s r o
l g r o c e r y t i l a u q

Raising a Financially Intelligent Child

Jon and Eileen Gallo, authors of "The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, Responsible Children" advocate allowances as a tool to teach financial literacy to children. They also believe that allowances should not be tied to doing chores. Their reasoning is that children need to learn to contribute to the household and to develop a work ethic independent of material rewards.

An allowance, they state, is a tool that should be designed to teach a child to think reflectively. Keep track of your spending on your children for 2 weeks. Then decide which of these items you would like your child to become responsible for. For example if you are spending \$10 a

week on video games, you might decide to give your child an allowance of \$10 a week. You then have a discussion with them to let them know why they are receiving that \$10; that you will no longer



be buying their video games. However, let the child know that they can spend the \$10 for anything they would like. Encour-

age them to put some aside for charity and some for saving (you might add an additional \$2 for these purposes).

The parent should keep in the back of their mind that an allowance is really a tool for the child to make choices, to feel what it's like to use money, and to feel what it's like to make mistakes. Don't tie the allowance to not doing chores. If they don't do their chores, there have to be consequences, but don't make the consequences the allowance. Make the consequences tied logically to what they failed to do. For example, if their chore was to pick up their toys, and they did not, maybe you would take the toys away for a week.