

Financial Tips You Can Use

AMERICANS LOOK FOR RELIEF FROM
RECORD HIGH CREDIT CARD DEBT

\$1 TRILLION

Total U.S. consumer credit card debt

Average household owes **\$8,600** ... But that includes households that don't use credit cards!

Average household that uses credit cards owes **\$15,654**

Americans added **\$67.6 billion** to our balances in the last three months of 2017!

THE GOOD NEWS IS THAT PEOPLE ARE BEING PROACTIVE ABOUT LOOKING FOR RELIEF!

Consolidated Credit sees a 30% increase in calls in 2018

WHY?

Debt management programs can reduce total monthly payments by

UP TO 30-50%

You can be out of debt in

36-60 PAYMENTS

With interest rates reduced to

0-11%

CONSOLIDATED CREDIT
When debt is the problem, we are the solution.

CALL 1-888-638-8571
 CONSOLIDATEDCREDIT.ORG

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Rethinking Savings as a College Student

Saving money and attending college are two activities that are typically NOT thought of together. In fact, many college students might tell you that they don't have enough money to buy pizza on a Friday night, let alone to add to a savings account. But what if we rethink the traditional motion of "savings" to make it a goal that is a bit more realistic for this cash-strapped chapter of life?

Consider this: If you purchase a used text book on-line instead of buying a brand new book at the campus bookstore, what is likely to happen? You got it—savings. Sure, these dollars won't necessarily end up in a savings account. In fact, you will probably spend that money before the week is out securing a new bus pass for the term or getting an oil change for your car. But think about it this way: for every dollar you save, that is one less dollar you need to borrow in student loan money—thus minimizing your debt burden and freeing up future dollars for your savings account as a young professional. Sure beats throwing money at interest payments!

Let's try another one. Are you grabbing lunch on the go throughout the week as you juggle classes, work and student involvement? Dining out adds up fast and meal time can typically be made much cheaper with grocery shopping and careful meal planning. What if you pack your lunch two more times a week? More savings!

OK, one more. Do you have a budget? No? Then how do you know you're spending wisely, putting your dollars towards your biggest priorities and not over-borrowing? Living on a budget is an easy and effective way to minimize your student loan burden, meet your financial goals and plan long term for building wealth. Mint -www.mint.com is a free and easy-to-use resource that links with your online accounts to help you create a realistic and livable budget. Remember—every dollar in savings is a dollar put towards your future.

With a little thoughtful financial planning your money can go a long way towards meeting your goals. Who knows...you may even be able to cut back hours at your campus job, graduate early or even take a trip this summer! Either way, living frugally as a college student will help you hit the ground running financially when you take that first job after graduation, setting you up for long-term financial success.

Source: America Saves

Action Steps to a Healthy Credit Score:

*Pay your bills on time. This is the most important factor in determining your credit score. A history of on-time payments will help you improve your score, and a history of delinquent (or nonexistent) payment will hurt your score. Accounts that remain unpaid will be sent to collections and further negatively impact your score.

*Keep your balances low. Credit scores also measure how much credit you're using versus the amount available to you. For example, if you have 2 credit cards with a \$1,000 limit and you have balances of \$800 on each, you're using 80% of the credit available to you.

*Don't close old accounts. Credit scorers also measure your credit history and the longer you've had access to credit, the better. Keep your oldest accounts active rather than closing them when they are paid off.

*Limit your applications for new credit. A large number of credit inquires (applying for a car loan or credit card) at once can negatively impact your score.

Finally, ensure that you're monitoring your credit reports on an annual basis. The three major credit bureaus—Equifax, Experian and TransUnion—must provide all consumers, upon request, a free copy of their credit report once every twelve months. You can order your free annual credit report online at www.annualcreditreport.com or call 877-322-8228.

Source: Consumer Federation of America's—America Saves Campaign

Get a Handle On Your Debt, Find Out the Truth About Credit

If your total debt is more than 30 percent of your annual take-home pay (excluding mortgage payments), you need to start cutting back, now.

Finance companies usually charge a higher interest rate than banks; banks usually charge more than credit unions.

A loan that is secured by assets—car or home—costs less than an unsecured loan, which is backed only by your word. Some assets are viewed as better collateral than others, e.g., a new car is better than a used one, etc.

The longer the term of a loan, the lower the monthly payments. However, the longer you take to pay, the more the loan will cost, because of interest.

Know Your Credit <https://www.bookstore.ksre.ksu.edu/pubs/MF3081.pdf>

Taming Your Credit Card Habit

If the ink wears off the numbers a few months after you get a card and the magnetic strip is worn out before you've paid the first month's balance, here are some helpful techniques to deal with your habit:

*Leave your cards at home. This way you'll have to go home before making a purchase—which may give you just the cooling off period you need.

*Try putting all your credit cards in a bowl of water and freezing them in the freezer.

*If you find yourself charging a blow torch over the phone to get at those frozen cards, it may be time to cut them up.

Credit card debt is the most expensive debt we carry.

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