

A New Year

A Fresh Start

An Updated
Money Plan

New Goals

New Hopes

New Ideas

A great time to
start is.....2011!

Let us help!

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A New Years Resolution

Many people dread making New Year's resolutions because they're afraid they'll fall short. However, one minor setback doesn't mean having to write off the rest of the year. Success can be attained by starting out with small steps.

Improving personal finances is a popular New Year's resolution. Here are a few ideas

- Most dieters know that the key to success is to monitor every morsel you eat. You can use the same strategy when designing a livable budget. Check out free budget tools online!

- For one month write down every cent you spend: rent, food, gas, clothes,



cable, insurance, 401(k) contributions, entertainment - everything.

- Start paying down debts. List all outstanding balances and their corresponding interest rates. Then, each month pay the minimum amount due on each account - except pay

as much as possible on the highest-rate account.

- Start building an emergency fund. Start slowly with a few dollars each month. For example, set aside \$1 a day for a month. Then double that amount to \$2 for the next month. Double that again a month later and keep that pattern up.

Look to the future. Buying a home, paying for college, starting a business and retirement are all big-ticket items that require sound budgeting and credit management skills!

Brought to you from:

www.practicalmoneyskills.com

It's Tax Time Again!

Community Action Office Site

19 North 21st Avenue West

Doors Open 4:30pm Tuesdays

Doors Open 8:45am Saturdays

*Walk-ins only. Approximately the
40 customers served.*

Memorial Park Family Site

5315 Grand Avenue

Doors Open 4:30pm Mondays

Doors Open 4:30pm Wednesdays

*Appointments for people with
children, disabilities and seniors.*



For more information call 726.1665 or visit: www.communityactionduluth.org



Community Action Duluth

Duluth Saves strives to meet the diverse needs of all Duluthians regardless of income. We truly believe that everyone can build wealth and better their financial future with the right tools and the right encouragement.

For more information contact Rachel 218.726.1665

11 Weird Things to do in 2011

Everyone has their own definition of what "weird" means. To us, it means having some—or actually a lot—of money, because so many people are broke! If you could keep hundreds of extra dollars a month instead of paying credit card bills, car payments and your alma mater, would you want to become weird?

If you're tired of being normal (aka broke) like everyone else, here are some ways to get started on your journey to weirdness!

1. Set a foundation.

Without a proper start, big plans will eventually crumble. We are here to help you along the way during this weird year that will carry through the rest of your life.

2. Bring out your inner bookworm!

According to The Literacy Company, 90% of learning is based on reading. You would think that Americans would read a lot, right? Well, about 27% of adults read no books at all in the past year. Set yourself apart from the majority by reading a few books this year!

3. Take baby steps with meal planning.

Food often costs more than you think. Plan your meals ahead of time to eat healthier and avoid hitting up your favorite fast-food spot five times a week.

4. Compare yourself to the Joneses—really!

The Joneses are broke. They're in debt and don't have money for emergencies, retirement or college. Do you really want to be like them? Doubtful. So compare yourself to them and determine what you need to do so you *aren't* like the Joneses.

5. Practice saying no!

There are so many good things to do, but you can't do it all. Learning to set limits in your life will actually allow you to do more, whether it's with your time or money. Plus, you'll be better at those things you do since you aren't rushing around trying to cram a bunch of stuff into your schedule.

6. Surprise!

Who says giving to others only has to take place during the holidays? Challenge yourself to continue giving like no one else throughout 2011. You'll be amazed at how much better life is!



7. Dream.

Just because you're a responsible adult who's all grown up doesn't mean you have to stop dreaming. But don't just be a dreamer; do something about it! Determine what's stopping you from making your goal a reality, and challenge yourself to overcome it.

8. Sacrifice.

Most people cringe at the "s" word. But sacrifice doesn't mean you have to live in a cave and never have fun. Maybe you need to pick up an extra job or cut out a monthly treat from your budget to get closer to achieving your goal. Think of something you can give up, and commit to following through.

9. Get a will—for real.

About 60% of Americans die without a will. So what's the big deal? That means that when you die,

|| Weird Things to do in 20 || Continued...

everything you owned is either left to the government to divvy out, or your relatives will fight over your belongings. Avoid that heartache by creating a will. Stop procrastinating and just do it! USLegal-Forms.com makes it easy for you to leave this legacy for under \$30.

10. Quit your J-O-B.

Don't love your job? Then quit it! Find your passion and do work that truly matters to you. Yes, even in this economy you can quit your job—just be smart about it. Think it through. Have a plan and savings and be wise about your decisions.

11. Pass on the weirdness!

It's cool to be weird! Tell others about your journey to weirdness and how you're changing your life for the best.

Brought to you by: Dave Ramsey

Junk Mail Isn't Always Junk

...This happened years ago, and it still haunts me. I had just graduated college and gone off to an expensive but highly reputable professional acting school in New York City. I got fed up with all the junk mail I was getting and just let it pile up for weeks. Eventually, I started tackling it, only to find a letter saying I was being awarded a \$5,000 performing arts scholarship from my college to help me pay for drama school. I only had to complete a form and send it in by a certain date. Yep. I had missed the deadline. Believe me, every bit of mail gets opened immediately in my house now!...

Now, we might not all be fortunate enough to go to prestigious colleges or be awarded scholarships but the fact remains the same.....as hard as it is and as



scary as it is we need to open our mail. There might be something we're dreading...a big credit card bill, another collection notice...but by failing to open the mail and face our fears, we are failing to serve ourselves and our best interests.

Those bad and scary things aren't going to go anywhere, in fact they are just going to get worse if they aren't taken care of. We need to

get into a habit of addressing them, even if that means making a call or writing a letter saying we simply can't pay right now but we intend to. Or setting up a small payment plan of \$5 a month until we can pay more.

Set up a schedule that works for you. It may be easier to just grab the mail as you walk in the house each night or maybe you would rather make a stack and open it on a day off when you are more focused and have time to. Whatever works for you, we all need a system of collecting, organizing, opening and most importantly addressing our mail.

If you would like help dealing with bills, collection notices or setting up a system that works for you call Rachel at 726.1665!

Tax Refund Coming Your Way?...



If you are one of the millions of people receiving a tax refund in the coming months...planning ahead and being smart about how you use it can save you even more and better prepare you to have a great 2011!

Paying off bills is a great idea.

First priority: regular monthly bills if you have gotten behind (utilities, phone). Most other debts should be prioritized with highest-interest rates paid off first.

Suppose you have a credit card balance of \$2,000 at an interest rate of 18%, and you're making payments of \$50/month. At that rate it will be 62 months before the bill is paid off, and it will cost you \$1,077 interest. If you use your tax refund to pay off \$1,000 of that bill, and then continue to pay \$50/month, the bill will be paid off in 24 months, at an interest cost of \$198. You save \$800 by paying now!

Do you find yourself in a yearly cycle?...using your tax refund each spring to get caught up then gradually getting more and more behind throughout the year, (and more and more stressed out), until you can once again use your tax refund to get caught up? You can prevent this common cycle by putting more money in your regular paycheck, instead of getting such a large tax refund.

Save for needs in the coming year with an emergency fund. Having money saved for emergencies can get you through small mishaps like car repairs or medical bills without breaking a sweat. In the ultimate emergency (loss of income), an emergency fund can keep you afloat until you find another income source. Use part of your tax refund to start or build your emergency fund!

Occasional Expenses. Those big bills that come once a year or every few

months can cause huge problems for families. Avoid those problems by being ready for the bills! Use your tax refund to start a special savings fund, then keep adding to it throughout the year.

Long-term savings! You CAN make progress toward long-term goals, and your tax refund can help make that happen. Even small amounts add up. Adding just \$500 a year into a retirement account such as an IRA can make a difference over a period of decades. Earning an average annual return of 9%, a contribution of \$500/year would yield \$68,100 after 30 years! You can increase this even more with small monthly contributions on top of lump sum additions!

Want help planning how to use your refund? Call 726.1665!



Community Action Duluth
19 North 21st Avenue West
Duluth, Minnesota 55806
218.726.1665

www.communityactionduluth.org

Engaging the community to end poverty

Interested in learning more about money and homeownership?

Register for our FREE

Common Cents class today:

Mondays Feb. 7-March 28 6pm-8pm

Ms & Ths April 4-April 28 6pm-8pm

Saturdays April 30-May 21 8am-12pm

Call to register: 726.1665

Dinner and Childcare provided!

