

# SMONEY Sense

OF ORANGE COUNTY

A Non-Profit Organization Serving Orange County Fall 2001

## got checking?

### No? THEN YOU NEED "GET CHECKING!"

**F**inally, there's help for those who've never had a checking account or had trouble opening an account because of a negative bank account history. ChexSystems is partnering with CCCS to offer *Get Checking*, a six-hour seminar designed to help consumers establish or re-establish a bank account. CCCS Education Director Nikki Linen says "*Get Checking* is the fastest way for someone with a negative ChexSystem report to re-establish a banking relationship. Not only will they learn skills to help them avoid making the same mistakes, but they actually get the opportunity to open an account with a participating bank. It's a win-win situation."

Studies show that consumers who use check cashing services, and who pay bills in person or with money orders, pay much more than those who use a bank's services. These families are more at risk because they keep cash in their homes or on their person instead of in an account. *Get Checking* is designed to help these consumers open their first account and learn how to use banking services.

CCCS CEO and President James Frannea says that "the key to the success of *Get Checking* is the partnership with financial institutions like Wells Fargo and Union Bank of California. The first step to achieving important financial goals—like home ownership—is to establish a successful banking relationship. *Get Checking* makes that step easier."

*Get Checking* is open to the public and costs \$50 to attend. Course graduates will receive a certificate that will allow them to open an account at a participating bank or credit union.

**YOU NEED  
GET CHECKING...**

1. If you have a negative ChexSystems report which prevents you from opening a bank account, or
2. If you want to know more about banking services and how to open your first bank account.

**YOU'LL LEARN TO:**

- ◆ Choose the bank account that's right for you.
- ◆ Use a statement to balance your account.
- ◆ Avoid paying extra fees.
- ◆ Establish credit.
- ◆ Use banking services.
- ◆ Improve your personal finance management skills.
- ◆ Develop a working relationship with a financial institution.

Call (714) 547-2227 ext. 122 to enroll today!



## RECIPE FOR THE AMERICAN DREAM

**A**ny good cook knows that the most delicious dishes often contain the simplest ingredients. This formula holds true for the American dream as well—to own your own home and provide a good education for your children. The concept is simple: If an individual or family earns \$100 a week, spends \$90 or less a week, and repeats this cycle for a lifetime, they will achieve financial independence. On the other hand, spending all of what you earn, and then some, will leave you and your children empty-handed at the end of the day.

### THE INGREDIENTS FOR PROSPERITY

**Start with Mandatory Saving.** The recipe for prosperity starts with the most basic ingredient—the concept that saving is mandatory. Instead of waiting until you've covered all the bills, choose to save a small percentage "off the top." This concept of paying yourself first is vital for the recipe to work.

**Beat to a Firm Consistency.** Stir your savings until they reach a smooth consistency. No matter how small the amount, if you consistently put aside a percentage of what you earn, compound interest will ensure that your savings will rise significantly over time.

**Heat until Habit Forms.** Do anything consistently 21 times and you've developed a habit. Once people make saving a habit they often increase the percentage they save. In addition, a person's income usually increases as they mature. Even if you never increase the percentage of what you set aside, the amount will grow right along with your paycheck.

**Add fresh Cash, not prepackaged Credit.** Vigorously add to this mixture the choice to use

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# BEATING THE BLUES IN A PINK SLIP WORLD

**T**he slowing economy has prompted many companies to begin looking at their bottom line and daily we hear reports of layoffs caused by this downturn. Although the economy in Southern California remains strong, you should have a contingency plan in place in case your job is threatened. While you may never need to put these suggestions to use, taking time before a crisis arises will let you clearly and unemotionally consider alternatives before the need arises.

## UPDATE YOUR RESUME

First, shape up your resume so that it will be ready to go should you decide to make a job change in the future. Get tips on resume writing from online job sites or from a book, then get feedback from trusted peers to fine-tune it.

## REVITALIZE YOUR NETWORK

Contact people you haven't spoken to for a while. Many people hear of jobs or even get them because of someone they know. Keeping your network active now may serve you well when you really need it and people won't think you're calling just because you need a job.

## TIGHTEN YOUR BELT

While it may seem that you've already made all the cuts you can in your budget, you can always find places that can be trimmed further. Establish a savings account and set aside as much money as you can. Be sure to keep paying your DMP as agreed and if you encounter any difficulty call CCCS immediately. For help on budgeting, take one of CCCS' free seminars or give your counselor a call.

## DEVELOP AN ACTION PLAN

Outline the steps you would take to deal with losing your job. Include clear objectives with realistic timetables. Make a list of short- and long-term solutions like a spouse adding a second job or you agreeing to take work in a parallel field. Changing careers or looking for a new job may take some time, so make sure your plan covers at least six months.

## DETERMINE IF YOU'RE HAPPY IN YOUR CURRENT CAREER

Then try an internship or a volunteer experience to get a feel for what it would be like to work in a different field before you commit to retraining. Do this now and it won't cost a thing but your time—and the results may surprise you. Workplace-related dissatisfaction and stress are the leading causes of health problems for working adults, so don't force yourself into a career that makes you miserable.

## CONSIDER RETRAINING

Maybe you've spent most of your career in an office, even though you have a knack for repairing machinery. Try taking some Voc-Ed courses at your local community college to see if you'd rather be working with your hands. "Companies send us more employment requests than we have students to fill them," says Wayne Freiman, an Air Conditioning instructor at Cypress College. Instructors in the Court Reporting, Machining, Auto Body and Welding Departments at various other colleges echo his observation. Technical jobs tend to pay well, and provide lengthy careers with stable companies, and offer medical and retirement benefits.

## NOTES & NEWS

### CCCS HOLIDAY SCHEDULE

CCCS offices will be closed to observe the following holidays:

Monday, November 12	Veteran's Day
Thursday, November 22	Thanksgiving Day
Friday, November 23	Closed
Monday, December 24	Christmas Eve
Tuesday, December 25	Christmas Day
Monday, December 31	New Year's Eve
Tuesday, January 1	New Year's Day



*The Staff and Management of CCCS wish to convey their deepest condolences to the families and friends of those lost in the recent tragedy in New York, Pennsylvania, and Washington, D.C. Our hearts are with you in this time of grief.*

# THRU THE ROOF



## HOME FOR THE HOLIDAYS

**M**ore than ever, this year is a time to bring Holiday celebrations home. Decorating your home doesn't have to be a cash drain. Here are some cheap and cheerful ways to decorate your home on a budget:

### HALLOWEEN

No other holiday can be so well decorated for so little. Give yourself a budget of \$10 and make a ton of construction-paper bats, cats, pumpkins, and spiders. Hang them from the ceiling on strings, tape them to windows, floors, and crawling up the walls. Bags of fake spiderwebs cost about 99 cents and can be stretched finely enough to cover every corner. Make ghosts from old sheets and hang from trees or in corners in the house.

### THANKSGIVING

Collect leaves and berries from plants and place in bowls with gourds or small pumpkins. Spray-paint twigs, tie with bows, and place in tall containers throughout the house. Pumpkins and gourds make inexpensive centerpieces when surrounded by fall



leaves. Take out the glue gun and make nut and seed or leaf napkin ring holders. If you're hosting the big dinner, ask guests to bring decorations along with their pot luck dishes. Use spicy potpourri or air fresheners to fill the air with the fall smells of cinnamon, apples, spice, and even pumpkin. Simmering spiced tea or warm apple cider with cinnamon sticks smell wonderful and make delicious beverages. Don't forget the natural and wonderful smells that come from the goodies you make in your kitchen!

### YOU DON'T HAVE TO OVERSPEND TO MAKE THE HOLIDAYS BEAUTIFUL

### CHRISTMAS

If you're like most people, you've already got plenty of purchased decorations. The key to staying within your budget is to think of different ways to use them. When tempted to buy new decorations keep this in mind—the majority of CCCS clients are still trying to pay off charges they made on their credit cards SIX years ago! Weigh that against hanging a shiny new bulb on the tree or purchasing expensive decorations. Be sure and watch out for higher electric bills too because of tree and outdoor lights. Try to light them for no more than two hours a night and only right around the holiday season.

**SURF OUR WEBSITE,  
FIND THE FAMOUS  
NICKEL & DIME PIG,  
AND WAIVE YOUR FEE  
GOODBYE!**



The first five CCCS DMP Clients who e-mail us the secret location of the Nickel & Dime Pig will have one month's DMP fee waived-up to a \$20 value!

Simply go to the CCCS site, [www.cccsoc.org](http://www.cccsoc.org), and surf until you find the Nickel & Dime Pig. Then e-mail us at [cccsoc@cccsoc.org](mailto:cccsoc@cccsoc.org) with the name of the page featuring the pig. The first five DMP clients to respond will have their next month's administration fee waived—up to a \$20 value!

*Surf the Pig Contest is open only to current Consumer Credit Counseling Service of Orange County Debt Management Plan clients. CCCS-OC reserves the sole right to determine the winners. Contest closes 12/31/01 or whenever the five winners are chosen.*

### RECIPE FOR THE AMERICAN DREAM

*Continued from page 1*

cash instead of credit. Paying in cash helps keep a clear balance between income and expense, which puts you in control of your finances—no matter what level of income you make.

**Garnish with No, No, No.** The last ingredient is learning to say "no." Teach yourself the difference between "wants" and "needs" and show your children that instant gratification often lasts exactly that long: an instant. While designer name brands and electronic baubles are wonderful, the ability to provide a good education and a home for your children is much more valuable in the long run.

This simple recipe has only a few ingredients, but it won't always be easy to follow. The good news? Thousands of people from all walks of life and economic levels have used the "pay yourself first" and "spend less than you earn" recipe to attain the American dream of financial independence—and so can you.

*Thanks to Sam Renick of the It's A Habit! Company for providing information for this article.*

# INSIDE INSIGHT

A CCCS Success Story

## "TOPPING OFF" FUELED MY CREDIT CARD DEBT

By Rick B.

*CCCS Client learned the danger of using credit cards for monthly living expenses.*

**W**hen I was 16 my father took me to the bank to acquire my first secured credit card. As a responsible parent, he thought that my having a credit card would help me learn to handle money. Little did I know I'd just taken my first step toward owing over \$15,000 in credit card bills.

### *IT DIDN'T TAKE LONG TO MAX OUT THE CARDS*

Of course, it didn't happen overnight. I first started using my credit card to "top off" my income in college. I didn't splurge on expensive presents for myself or others or go on shopping sprees. I used the card primarily to meet monthly living expenses that my income didn't quite cover—groceries, clothing, or utility bills. It wasn't until I became unemployed and had to use credit to meet all my expenses that my debt amount escalated dramatically. In what seemed like no time, I maxed out all of my cards.

### *PAYING THE MINIMUM WAS A LOSING GAME*

At first, I kept afloat by paying the minimum monthly payment for each card. But soon I

realized that this was a losing game that would take me a decade to even begin denting the principle amounts. As the seriousness of my situation became clear I began to look for options. That's when my girlfriend told me how CCCS could help me pay off my debt.

### RICK'S ADVICE

*Don't use credit as a lifestyle. Having a \$5,000 credit line isn't the same as having \$5,000. Use credit as a tool and always pay the balance in one or two months. What takes only a minute to charge can take years to pay off. While young people need to learn about credit, it's also good to protect them with a low credit limit. Then, in a worst-case scenario, they would be forced to confront their financial problems sooner than if they had a large credit line.*

The best thing about the Debt Management Plan (DMP) is that I can make one monthly payment that CCCS distributes to all my creditors. Also, some creditors lowered their interest charges, which helps me make real progress toward paying off my bills. Seeing a zero balance on a statement gives me such a feeling of accomplishment that I want to keep making payments every month—and send in more whenever I can.

### *A FUTURE FREE OF DEBT*

A year and a half ago, my girlfriend and I married. Thanks to her good advice and support, I know we'll be able to give each other a promising future filled with happiness—and free of debt.



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Visit us on the web at: [www.ccsoc.org](http://www.ccsoc.org)

Office hours: Monday to Thursday 8:00am - 8:00pm  
Friday 8:00am - 5:00pm  
Saturday 9:00am - 1:00pm

Regular telephone hours: Monday to Thursday 7:00am - 6:45pm  
Friday 8:00am - 4:45pm  
Saturday 9:00am - 12:45pm



Check out our  
Newest Seminar...

## FUNDAMENTALS OF INVESTING & FINANCIAL PLANNING

Learn the proper steps to take  
when beginning an investment plan.

Call the Education Department at  
(714)547-2227 ext. 122 for details