

# MONEY SENSE

**Genesis**  
FINANCIAL MANAGEMENT INC.

Volume 5, issue 7

July 2009

## NEW BEGINNINGS, DEBT FREE

### *In Praise of Thrift*

*The following article is reprinted with permission from the American Center for Credit Education.*

I'm not joking when I say that I bought my husband one of the nicest pair of dress pants he's ever owned from a thrift store for \$.25. They're a perfect shade of silver-gray and require no ironing. And yes, he wears them—with enthusiasm. A public declaration of \$.25 pants is bound to elicit a variety of responses, including raised eyebrows, guffaws, or even applause.

But it really isn't about \$.25 pants, as much as we appreciated the price tag. It's more about embracing thrift. The word thrift has a number of different connotations, many of them negative: cheap, lacking in taste, and miserly among them, but the origin of the word thrift comes from "to thrive." In other words, the roots of thriftiness are grounded in learning to live well.

Calvin Coolidge must have espoused this definition when he quipped, "Industry, thrift, and self-control are not sought because they create wealth, but because they create character." I agree with Coolidge. Thrift is not merely a call to halt spending or to cut costs. At its best, thrift teaches us the value of

things and helps us to provide for the future. What's more, thrift helps us to focus our time on what's important to us, reduces waste, and gives us a sense of accomplishment.

We've lost some of the "joy in doing" in a world where we've become accustomed to quick results. I also think we've lost confidence in our ability to find industrious solutions to our problems. Thrift may not come naturally to you, but you are in the best position to know how you and your family can thrive.

What have you been putting off because you're worried about where to start? What do you value the most, and how can you make time for this? What would it feel like to take on a project yourself, learning what you need to know along the way? The answers to these questions can help you get in touch with your inner thriftiness. You're likely to save money on the path of thrift, but this may just be overshadowed by the sense of accomplishment you feel when you devote your time to thriving and embracing the joy of doing.



### **Dollar Saver\$:**

#### **Don't get burned by propane exchanges!**

Now that summer is here and we start firing up the old gas grill out back, take a moment to consider this the next time you need to fill your LP tank.

Most commercial grills come with a standard 20 lb propane tank. When you take it to your local retailer to exchange, it's a good bet you are only getting 15 pounds back with the exchange. While most of us weren't looking, the gas exchange companies started giving us five gallons less to keep the cost the same when oil prices rose sharply last year. Now that oil prices have dropped dramatically you would think the gas companies would once again give you the twenty pounds you once received. Not so in most cases. Another case of corporate greed if you ask me.

To get the best deal, take the time to bring your tank to your local propane refill station where 20 pounds is still 20 pounds. This will keep you from running out when all your friends are hungrily waiting for half cooked hamburgers sitting on the lifeless grill.

### *Payment Address*

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**Genesis understands that times are tough. If you are having difficulty making your payments to your creditors or if you are unable to make your monthly payment on time, please contact us immediately to reschedule your monthly payment to avoid any insufficient funds charges.**



**Credit Fact:**

Over 500,000 people (and growing!) are victims of identity theft each year.

The average victim spends 30+ hours trying to correct the problem.

The most common type of theft is credit card theft.

Learn how to protect yourself. Visit

[www.ftc.gov](http://www.ftc.gov) or

[www.bankrate.com](http://www.bankrate.com)

Use paper, not plastic, for your everyday purchases. On average, you will spend less because you won't be charged interest.

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## *The Facts On The New Credit Card Law*

Recently, President Obama signed into effect new legislation mandating sweeping changes in the credit card industry. Changes to the terms we agree to with our credit cards will change under the Credit Card Accountability, Responsibility and Disclosure, or Credit Card, Act which takes effect in February 2010. Here's some of the changes that the act encompasses.

**Universal Default:** Credit Card Companies can no longer impose anytime anywhere higher interest rates on existing balances unless one of four exceptions are present.

1. Being 60 Days or more past due.
2. Failure to complete a workout plan
3. Expiration of a promotional rate
4. Variable rate increase due to index movement

**Average Daily Balance:** The act ends the practice of double cycle billing. A method of interest calculation based on the average daily balance for the current and previous billing cycle.

**Penalty Fees:** Penalty fees, including late fees and over the limit fees, must be "reasonable" and "proportional to such omission or violation," according to the legalese of the Credit Card Act. What's reasonable hasn't yet been specified, and federal regulators are expected to set standards for penalty fees after this section of the law goes into effect. Consumers will receive their statements at least 21 days before the due date, up from the current requirement of 14 days, allowing them more time to pay and avoid late fees.

The law also sets some rules for due dates and requires that they fall on the same day each month, and if that happens to be when the issuer doesn't accept mailed payments, such as on holidays or weekends, then payments received the next business day can't trigger late fees. If card issuers change the mailing address for payments, they can't impose late fees if the adjustment caused a delay in crediting the payment.

**Balance Transfers:** Promotional rates have to last for six months, and no APRs can increase the first year after account opening. So if you make a balance transfer during account opening, the rate on it is good for a year. Outside the first year, any promotional rates offered can't expire inside of six months. Look for the zero percent balance transfer offers to end soon

One negative that's been observed is some companies reinstating annual fees. This will affect customers that pay their balances off each month the most. This policy will end the "free ride" credit card companies feel they are giving to these consumers every month.

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