

# MONEY SENSE

Volume 2, Issue 7

July 2006

## NEW BEGINNINGS, DEBT FREE

### Put Your Credit History "On Ice"

You probably know by now that one of the best things you can do to protect yourself against Identity Theft is to regularly monitor your credit history. And you may also be aware that as a potential victim of ID Theft, you can add a "fraud alert" to your credit files that advises that you be notified if someone is trying to establish credit in your name. You can even pay a "credit monitoring service" to alert you when someone else has viewed your credit history. But did you know that you may also be able to literally "freeze" your credit report so that no one can look at it or open new credit—including you -without "thawing" it first?

The "credit freeze" is a little-known tool that is available by law in 23 states so far (although in some states the law hasn't taken effect yet). As opposed to credit monitoring, reviewing your credit history and placing a fraud alert, which are all "reactive" measures that usually catch ID theft after the fact, freezing your credit is a pro-active way to protect your identity before it is compromised. When you freeze your credit history, essentially you are putting a lock on it that would prevent anyone—creditors, landlords, employers, insurance companies and even you—from viewing it

or opening any form of new credit until the report is "thawed", a process that takes about three days and requires a PIN.

On the plus side, a credit freeze can prevent ID theft before it happens, is more effective than a fraud alert (creditors are not required to abide by or even check for an "alert" on a file) and slow down the process of acquiring credit (thereby perhaps preventing "impulse buys"!)

On the down side, it can cost money because some states only offer free "freezes" to previous ID Theft victims, and it can be an inconvenience when you need credit fast or when applying for an apartment or job.

All things considered though, a "credit freeze" is a pretty powerful tool in the war in ID Theft. To find out if your state currently offers credit freezes, visit [www.financial-privacynow.com](http://www.financial-privacynow.com) and click on the "Learn More" link at the top of the page.

Be cautioned, though, Congress is currently debating a bill—the Financial Data Protection Act -that would invalidate the state freeze laws and transfer that authority to the federal government, where "freezing" may become limited to previous ID Theft victims only. Stay tuned to the news for more

### Dollar Savers: Groceries

**Reduce your spending**— Try cutting \$25 or \$50 from your grocery budget. Saving \$50 per month can save you \$600 a year. That savings can be put towards credit cards or other big ticket items like your mortgage or college fund.

**Work with what you have**— Before you shop, check your pantry and refrigerator to see what food items you have before buying new ones. Be organized, and make a list. Also, NEVER go to the grocery store hungry—don't let your stomach choose unnecessary items.

**Shop Around**— Don't buy everything in one store! Check out store ads and only buy their sale items. If you save a minimum of \$30 a trip from buying on sale, you are saving \$360 over one year!

**Buy in bulk**— Bulk items are usually less than the package price. If it's meat you're buying, you can season it then freeze it to save time later.

**Don't be wasteful**— Serve children smaller portions and teach them not to be wasteful. This way, more food is eaten and less food is wasted.

### Payment Address

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**\*\*NOTICE\*\*** Effective immediately, Genesis Financial Management will no longer be accepting personal checks. Please see reverse side for further details.



Plastic is the Winner!  
Sometimes credit cards work to your advantage. Save cool cash on a hot vacation abroad.

- 1) Use your credit or debit cards when purchasing items. Plastic gets you a better exchange rate.
- 2) You can minimize fees by using some creditors because most don't add a surcharge.
- 3) Don't withdraw money from overseas ATMs, get cash back. It could cost you over \$50 on top of the conversion rate.

Summer vacation is an expense all on it's own. Make your budget work and still have fun with the kids...

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## Prepaid Credit Cards...Are they really worth it?

Prepaid credit cards began to take off in the 1990's as credit card companies realized that a significant portion of the U.S. population was not able to qualify for traditional credit cards.

Pre-paid cards give consumers access to a secured line of credit regardless of past credit history by allowing them to deposit a sum of money with the credit card issuer that becomes the "collateral" and spending limit for the card. If you default on the card, the

creditor's losses are limited. There are pros and cons to these types of cards.

**Pros:** 1) It's safer to carry plastic than cash.

2) You get all the conveniences of a credit card with no interest charges.

3) You don't have to worry about paying a credit card bill or falling into debt.

4) Anyone over the age of 18 can qualify.

5) Pre-paid cards can help you build a credit history.

**Cons:** 1) You may incur costs like per-purchase fees and ATM withdrawal fees.

2) You do not have the luxury of a grace period.

3) Companies have much stricter notification requirements if a card is lost or stolen.

Pre-paid cards can be a good idea for those individuals who are trying to build a credit history from scratch or re-establish good credit, but as with any offer, read the fine print carefully!

## Money Smart Topic of the Month: Summer Vacation is Here!

Many of us that have children know that summer is one of the most expensive seasons of the year. The kids are not in school so we have added summer camp and/or daycare costs, and it seems like they always need money for one field trip or another.

There are many things that we can do to keep costs low and still have fun, however.

Think fun in the outdoors! Join in the excitement and take the kids to the park. Not only are they entertained, but you are able to keep an eye on them and have a mini-workout at the same time.

When the weather is at

its hottest, water is the perfect answer to keep cool. If you don't have a pool already, find a public pool and pack a lunch. Or set up the sprinkler in the backyard. If you decide to go to the beach, make it a group event to cut down on the price of gas and food. Plus, make sure you are home in time to cook dinner rather than eating out that night.

Look in the paper for community events. During the summer, communities abound with all sorts of family-friendly activities from concerts in the park to community fairs, and most are free or low-cost.

For those that have teenagers, advise them to get a

summer job to maintain their plans or give them a weekly allowance. This allows them to learn how to budget their money and prioritize their "wants".

Instead of going to the movies and spending \$6-10 per ticket plus popcorn and sodas, go as a family to a local drive-in which on average costs about \$10 a car load. Bring your own food and relax in the comfort of your own vehicle. Or check to see if any of your local theaters offer "free movie" days for kids.

Sometimes just staying in and playing board games can be fun, or survey family and friends for additional ideas.

## Please Note: We No Longer Accept Personal Checks

Please be advised that effective immediately, we will no longer accept personal checks.

We strongly encourage you to consider taking advantage of our Automatic payment system (APS). You can "set it and forget it," as your monthly payments are debited, like

clockwork, from your checking account on your scheduled payment date. If you are unable to use the APS, you may also submit your payments by money order or Western Union Quick Collect.

As of August 1st, we will return any and all personal checks back to you.

Continuing to send in personal checks could affect our ability to get payments out to your creditors in a timely fashion, and Genesis will not be liable for any fees charged by the creditor.

For further details, please contact our Client Services department at 800-460-8641.

**Check Us Out Online!:** [www.YourGFM.com](http://www.YourGFM.com)